

Beijing Will Seek  
Hong Kong Rule,  
Leader Confirms

Compiled by Our Staff From Dispatches  
BEIJING — Prime Minister Zhao Ziyang said Thursday that China intends eventually to reassert its sovereignty over Hong Kong but that it would maintain the territory's prosperity and stability.

In the day, Prime Minister Margaret Thatcher of Britain, who is visiting, conferred for two hours with Mr. Zhao on the future of the colony. Mr. Zhao's statement, to British and Hong Kong reporters, was the first confirmation by a Chinese leader to the Western press of Beijing's intentions about the future of Hong Kong. Those intentions have been little known to visiting overseas Chinese.

Mr. Zhao spoke in Chinese, using an expression that means "to return sovereignty." "We don't propose to negotiate through the press," a British official said.

A British official declined to comment on Mr. Zhao's statement, saying, "We are anxious, as we believe the Chinese are, to maintain the prosperity and stability of Hong Kong."

Mrs. Thatcher's visit, which began Wednesday, is the start of negotiations to find a formula that satisfies Beijing's desire to reassert its sovereignty over Hong Kong and provide London the legal guarantee it wants to continue operating the area.

British officials said that good progress had been made during the first round of talks and that the atmosphere at the meeting was friendly.

The Chinese news agency Xinhua also expressed satisfaction with the talks.

Discussions on the future of the British crown colony will continue Friday when Mrs. Thatcher meets Deng Xiaoping, the Chinese Communist Party's deputy chairman and foremost leader. Officials noted that this is the first time that a British delegation has come to China to discuss Hong Kong and that Mrs. Thatcher's visit to China is the first by a British prime minister.

Shortly before conferring with Mrs. Thatcher, Mr. Zhao expressed China's acknowledgement of Britain's control over Hong Kong by the same gesture of answering the questions of Western reporters.

"I don't think there is any need for Hong Kong to be concerned," Mr. Zhao said. "Of course, China must recover sovereignty, but that issue does not affect Hong Kong's

prosperity. If China recovers sovereignty, it will certainly take a number of measures and policies to guarantee Hong Kong's prosperity and stability."

He gave no timetable for the recovery of the territory, but political analysts said that Mr. Zhao's statement amounted to reassurance that, whatever solution was worked out, investors in Hong Kong would not have to worry.

The British officials said that both the British and Chinese governments recognized the importance of the issue. They added that the questions of sovereignty and the administration of the colony were covered during the talks, but that details could not be made public.

"We don't propose to negotiate through the press," a British official said.

Mr. Zhao's statement did little, at least immediately, to calm the Hong Kong stock market, which has been jittery over the uncertainty about the colony's future. The market opened firm but its Hang Seng index later dropped 25.73 points to close at 1,096.12.

Britain governs most of Hong Kong's territory under a 99-year lease that expires in 1997. The rest of the colony, including Hong Kong island, was ceded in perpetuity to Britain after China lost the Opium Wars in the last century.

Although the Chinese regard all their 19th century treaties with Britain and other states as unequal and, therefore, invalid, political analysts here said that it appeared that the British would try to work out a formula that would permit Britain to continue its administration for a period after 1997 in exchange for conceding the principle of sovereignty.

British officials said that while Mrs. Thatcher hopes to make progress on the Hong Kong issue during the visit, no final formula is expected. One source said that the essential thing was to open up a dialogue.

British officials said that Mrs. Thatcher was invited to speak first at Thursday's meeting and that she spent about 30 minutes setting out Britain's position on Hong Kong.

Mr. Zhao spent a similar amount of time giving China's views on the colony and the two leaders then discussed Hong Kong in detail for an hour.

They then took up other bilateral issues, mainly the development of trade.



The outgoing president of Lebanon, Elias Sarkis, right, helped his successor, Amin Gemayel, put on the formal sash of office Thursday. At their left was Khalil Haddad, government protocol aide.



Beirut residents were in panic after an arms storage dump in East Beirut exploded Thursday.

New Dutch Budget Likely to Bring  
Social Austerity, Political Turmoil

By Peter Calvert

trade unions denounced the proposals as unacceptable.

This debate is mirrored in the present political talks aimed at forming a new coalition government, following general elections earlier this month.

The center-right Christian Democratic Appeal, the senior partner in the caretaker coalition that drafted the proposals, say they should form the basic policy of any new government. The rightist Liberal Party agrees that tough policies of savings and wage restraint should be carried through, and the Labor Party wants to ensure that any savings should not harm employment.

However, financial experts said they feared the government should have made deeper savings and done more to help industry directly. Economists also expressed fears that government forecasts of its revenues and of the budget deficit remained over-optimistic.

Some elements of the financial community appeared to be even more worried by the prospect that the Labor Party might still emerge as part of the next coalition government. "Labor would seriously weaken any determined effort to reduce government spending. It walked out of the last coalition as soon as tough decisions over spending cuts had to be taken," a banker said.

## Mexico's Powerful Army Is Expected to Remain Loyal as It Awaits New President

Rumors and Speculation Abound, but de la Madrid, Like His Predecessors, Is Generally Expected to Keep the Military on His Side

By Christopher Dickey

Washington Post Service

MEXICO CITY — Mexico's new secretary has likened President José López Portillo to the nation's greatest heroes. The defense secretary has told him, "You know very well how to command."

In the weeks since Mr. López Portillo took the radical step of nationalizing Mexican banks in response to the country's economic crisis, leading military officers have come forward as loyal officers of the measure and the man he took it.

But the president has less than weeks left in office. His defense minister, General Félix Galván Pérez, is expected to retire soon. The President-elect, Miguel de la Madrid, takes power Dec. 1. The

official budget deficit would rise to 10.8 percent of national income from a record 10.2 percent this year, even if the planned cuts were carried out, the government said earlier this month.

Spending cuts totaling 33 billion guilders are needed to reduce the deficit to an acceptable level of 4 percent by 1986, it added.

The hope of the caretaker government, of which Democrats '66, a centrist party, is also a member, is to boost industry by wage restraint and by freeing funds for investment through reducing government borrowing on the domestic capital markets.

They generally expected outcome of the negotiations is a Christian Democratic-Liberal coalition. If the two parties carry out their economic strategy, it will mark a turning point in the management of the Dutch economy.

Spurred by its natural-gas sales, the Netherlands has developed over the past 20 years a social security system that is almost unrivaled in its generosity.

But the result has been an ever-increasing mountain of claims that have gobble up a rising share of national income. Recently, economic recession has driven up pay rates while making the system even harder to finance.

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The army is rigidly disciplined, the chain of command strictly linear. There is a new law in the works, moreover, that would abolish any reprieve for a soldier who

disobeys an order, even if he firmly believes that order to be unconstitutional.

If the top commander stands with the president, as General Galván López is doing now, there appears to be little chance for insubordination, much less a revolt. But this rigid structure, some Western diplomats suggest, could make any coup planned by top officers that much easier to carry out.

It is almost traditional at the end of a presidential term in Mexico for conspiracy rumors to hang thick in the air, but as each new head of state takes office he has found ways of making sure the army remains his faithful ally.

Mr. López Portillo showed a particularly shrewd sense of the way Latin armies think and work

in his six years in office. But he and those before him came to power facing a less sophisticated military than he will leave behind. Mr. López Portillo also had financial resources to devote to the armed forces that Mr. de la Madrid is not expected to have at his disposal.

Prospects for Defense Minister

According to Mexican and Western officials with close ties to senior officers, three generals are likely candidates to be defense minister, the military pinnacles. The most prominent contender is General Juan Arevalo Gardoqui, who led the recent parade as commander of the First Military Zone, which includes Mexico City.

General Alonso Aguirre, director of military industries, has had an influential role in the attempts

to modernize the army and is considered by some diplomats to be particularly friendly to the United States.

But General Victor Manuel Ruiz Pérez, commander of the cavalry, may have the inside track on the basis of a winning personality and family connections. One brother is Mr. de la Madrid's physician, while another is attached to the Mexican Embassy in London, according to diplomatic sources.

From the end of the revolution in 1917 until 1946, Mexico was dominated by military men. But the 1950s and 1960s saw a steady deterioration in military prestige, armament and training. For more than 30 years, the armed forces were at the edge rather than at the center of political life.

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Gemayel Takes Oath,  
Vows Army Buildup;  
Peace Force Delayed

Compiled by Our Staff From Dispatches

BEIRUT — Amin Gemayel, a moderate politician from the rightist Christian Phalange Party, was sworn in as the seventh president of Lebanon on Thursday. He pledged to seek a withdrawal of all foreign armies from the politically splintered and war-devastated country.

Mr. Gemayel took the oath of office as the first unit of a multinational peacekeeping force headed to the Israeli-occupied capital to shield Palestinian refugees.

A spokesman for the French Embassy said, however, that the arrival of 350 French paratroopers, the first detachment of the three-nation peacekeeping force, was postponed from Thursday until Friday morning at the request of Mr. Gemayel.

It said that before the landing, Mr. Gemayel was to preside over a meeting of representatives of the United States, France and Italy, the three countries sending troops.

Western diplomatic sources told Reuters that no written agreement on deployment of the 3,000-man force had been concluded between Lebanon and the three countries.

More important, they said, Mr. Gemayel was to preside over a meeting of representatives of the United States, France and Italy, the three countries sending troops.

A military spokesman in Beirut said that Israel planned to have all its troops out of West Beirut by Sunday. But he added that some Israeli liaison officers would remain in the capital's Moslem sector after Sunday to "coordinate" with the Lebanese Army the work of removing seized weapons and military supplies.

Habib Gossi is Israel

In Washington, the State Department said that Philip C. Habib, the special U.S. envoy, and Morris Draper, his deputy during the negotiations that led to the withdrawal of Palestinian and Syrian forces from the Israeli-encircled city this summer, had traveled to Israel to try to work out arrangements for the withdrawal of Israeli troops from all of Beirut.

Mr. Habib traveled to Israel

Thursday after attending Mr. Gemayel's inauguration. He met with Defense Minister Ariel Sharon and was scheduled to meet Friday with Prime Minister Menachem Begin and Foreign Minister Yitzhak Shamir.

Israeli troops and armor had mostly pulled out of neighborhoods in central West Beirut by Thursday. Lebanese Army troops have taken control of several West Beirut positions, including the Chalila and Sabra Palestinian refugee camps where hundreds of civilians were killed last week by rightist Christian militiamen.

A portrait of his brother, Bashir, the president-elect, who was assassinated Sept. 14, hung over the rostrum as Mr. Gemayel read the oath.

"I shall offer no program of a new era because a single concern grips us now," Mr. Gemayel said in his first policy statement. "This is to stop the vicious circle of

(Continued on Page 2, Col. 3)

2 Israeli Soldiers Say  
They Reported Killings

The Associated Press

against Prime Minister Menachem Begin's refusal to set up an independent inquiry into the conduct of his government and army during the slaughter.

Defense Minister Ariel Sharon, facing cries of "Sharon, murderer" and "Sharon, monster," promised that the massacre would be fully investigated, United Press International reported. "If we erred, if we reasoned wrong, we will not hide anything," he said after being taunted by hecklers.

Channing "Begin resign," about 3,000 people marched on his home in Jerusalem. The demonstrators, organized by the Peace Now movement, were stopped by police about 150 yards (135 meters) from the home.

The Israeli press was filled with advertisements for or against an inquiry. Ma'ariv carried 20 ads, 16 of them favoring an investigation.

Meanwhile, a Foreign Ministry spokesman said that Egypt informed Israel on Thursday that it would continue all its diplomatic and consular activities with Israel.

Egypt's ambassador to Israel, Saad Murtada, was recalled to Cairo on Monday as a protest of the massacre. Egypt is the only Arab nation with which Israel has diplomatic relations.

The Foreign Ministry spokesman told the Knesset, or parliament, on Wednesday that it was not until 11 A.M. Friday that a senior officer raised concerns that the Christian Phalangist attacks on the camps, begun in coordination with the Israeli to flush out Palestinian guerrillas, was turning into a slaughter of innocent people.

A Leading Critic

Representative Paul Findley, the ranking minority member of the House Foreign Affairs subcommittee on the Middle East, who has been a leading critic of administration attempts to build bases in Egypt and Somalia, took a more positive view of the Bahrain deal.

"It sounds like a good idea," the Illinois Republican said. "It might give a little pause to the Soviets if they have any ideas about flying aircraft down from Afghanistan."

The F-5G part of the deal could fall through if no customers besides Bahrain could be persuaded to buy the plane. It would not be economical to build just four F-5Gs.

However, if the F-5G is not ordered in sufficient numbers to warrant production, the Pentagon may adopt a resolution accepting Israel's offer to Bahrain for the Northrop F-5E fighter-bomber, which Taiwan is to receive.

In Brussels, the political affairs committee of the European Parliament called Thursday for an international inquiry into the massacre. The committee adopted a resolution accusing Israel of bearing political and moral responsibility.

The committee also proposed that the Parliament send an information-gathering delegation to the Middle East.

■ Colombia Mission Attacked

In Bogota, men firing from two speeding cars riddled the Israeli ambassador's residence with sub-machine-guns fire and threw a bomb at the front of the house. The Associated Press quoted police as saying.

France Decrees  
Economy Drive  
By Civil Service

United Press International

PARIS — Laurent Fabius, the French budget minister, ordered an economy drive Thursday by the country's civil service. The provisions range from a ban on travel in first class by civil servants to a sharp reduction in the fleet of official automobiles.

Mr. Fabius said the measures greatly aggravate Mexico's already tense social and political pressures. "The situation could be very volatile," according to a source close to the Mexican high command.

The minister also said he had closed a number of near-fictional government-subsidized organizations whose usefulness he described as nonexistent.

# Free Democrats Force Genscher Into Talks on Move Against Schmidt

The Associated Press

BONN — Leaders of the Free Democratic Party, which holds the balance of power in West Germany's political crisis, bowed Thursday to mounting party criticism of a plan to oust Chancellor Helmut Schmidt and called a special national convention for mid-October.

But Hans-Dietrich Genscher, the leader of the Free Democrats, vowed to stick to a timetable agreed upon Monday with two conservative leaders, Helmut Kohl and Franz-Josef Strauss, to try to form a new center-right government to unseat Mr. Schmidt in a parliamentary vote of no-confidence Oct. 1.

A party spokesman, Herbert Schmeling, said that a meeting of the Free Democrats' presidium, comprising Mr. Genscher and 10 other party leaders, decided that the special convention, demanded by four state caucuses, would be held Oct. 16 in Düsseldorf.

The caucuses discussed that the convention discloses what party critics call the autocratic way in which Mr. Genscher pulled out of Mr. Schmidt's coalition last Friday and decided to form a coalition with the two conservative groupings. Mr. Kohl's Christian Democratic Union and its Bavarian sister party, the Christian Social Union, led by Mr. Strauss.

The Free Democratic leader never had a mandate from the par-

ty's 53 parliamentary deputies to desert Mr. Schmidt. One of the deputies, Helga Schuchardt, has since claimed that a majority of her colleagues supported continuation of the 13-year alliance with the chancellor's Social Democrats.

Miss Schuchardt was one of about 20 Free Democratic deputies who met Thursday to discuss their approach to the crisis in their party and the possible change in government. The Free Democrats hit an all-time low of 2.3 percent in opinion polls published Wednesday.

The mounting criticism of Mr. Genscher threatened to wreck a timetable agreed to by the opposition Monday to hammer out a coalition agreement.

Talks between the conservatives and liberals on economic policy of a new coalition government made what Mr. Kohl called "a good deal" of progress.

Meanwhile, Mr. Schmidt said in an article in the newspaper Bild, released Thursday, that 8 in 10 West Germans wanted new elections "as soon as possible" and challenged Mr. Kohl, who would be his likely successor, to face the electorate. This has been rejected by Mr. Kohl and Mr. Genscher.

If the no-confidence motion is to succeed, Mr. Kohl needs at least 23 of the 53 Free Democratic votes and all 226 from his own conservatives to get a majority of 249 to unseat Mr. Schmidt.

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The explosion of an arms storage dump in East Beirut rocked the city Thursday and injured several people.

## Gemayel Takes Office

(Continued from Page 1)

bloody violence on Lebanon's soil."

He pledged to build the Lebanese Army into a force "capable of repulsing transgressions against the nation" of encroachments against the law.

He said, "The wars of others in Lebanon and at Lebanon's expense must stop. This will be accomplished by a strong, independent, sovereign state capable of safeguarding public freedoms and bringing about a withdrawal of all foreign armies from the entire soil of the homeland."

Syrian forces and Palestinian guerrillas control Lebanon's eastern Bekaa Valley and large sections of the north, while Israeli forces control the rest of the country.

After the swearing-in ceremony, parliament adjourned and Mr. Gemayel, a Maronite Christian, drove to the presidential palace in suburban Baabda flanked by Prime Minister Shafiq al-Wazzan, a Sunni Moslem, and the parliament speaker, Kamel al-Assad, a Shiite Moslem.

Two hours before Mr. Gemayel took office, an explosion gutted a huge ammunition dump in East

Beirut where the Lebanese Army had stored heaps of Soviet-made rockets confiscated from Palestine Liberation Organization centers in West Beirut, Lebanon's prosecutor general, Assad Germanos, announced.

The Defense Ministry said the explosion was caused by the accidental detonation of a shell. One soldier reportedly died, and Christian radio stations named 35 injured persons.

### ■ Units Reportedly Known

Military sources in Beirut told the Los Angeles Times that Israel and the Lebanese government — and presumably the U.S. government — know what unit of the Lebanese Forces, the 20,000-man Christian Phalangist militia, committed the massacre at the two Palestinian camps and who the commanding officer was.

The identity of the unit, they said, has not been made public, and may never be, for two reasons. First, it could upset the delicate reconciliation worked out between the Christian and Moslem communities that produced the election of Mr. Gemayel, and second, no one is willing to make any arrests for fear of setting off another round of bloodshed.



The U.S. special envoy, Philip C. Habib, is guarded as he leaves the inauguration ceremony of Amin Gemayel in Beirut.

## WORLD BRIEFS

### British Miners' Union Rejects Offer

LONDON — The focus of the British trade unions' battle with the Conservative government switched Thursday from the health workers to the miners, whose leaders rejected an improved pay offer and set the scene for a winter slowdown.

The miners issued their challenge as union leaders met to consider further moves to push the pay claims of 600,000 health workers after widespread strikes and protests Wednesday.

The miners' leaders, demanding a pay increase of 31 percent, dismissed as "wholly inadequate" what they said was a 7.2-percent offer from the state-run National Coal Board; the board said the offer was worth 8.2 percent. The union leaders decided to call a conference of delegates for Oct. 4 to recommend rejecting the offer and holding a ballot to authorize strike action if necessary.

### Senate Blocks Helms Prayer Bid

WASHINGTON — The Senate dealt Senator Jesse Helms, Republican of North Carolina, a procedural blow Thursday that signaled the almost certain defeat of his campaign to push through school-prayer legislation this year.

The Senate voted 51-48 to table, and thus kill, a proposal regarded as offering Senator Helms the best chance he had to get a record vote on the prayer issue.

The proposal would have sent back to the Finance Committee the debt-ceiling bill to which several amendments were attached. The committee would have been instructed to recycle the bill and return it for final action with all but the prayer amendment removed.

### U.S. Railroads Returning to Normal

WASHINGTON — With the four-day nationwide railroad strike halted by an act of Congress, freight and passenger trains began returning to normal Thursday.

The 26,000 members of the Brotherhood of Locomotive Engineers yielded to the congressionally mandated settlement signed by President Ronald Reagan on Wednesday afternoon, ending a strike against 117 railroads. Conrail, the federally subsidized network in the Northeast, was unaffected because it had a separate union agreement.

The administration said the walkout cost nearly \$1 billion a day, forced a half-million layoffs, stranded thousands of commuters and slowed to a trickle the delivery of such cargo as crops and coal. Several automobile plants were severely affected and had to reduce production or close.

### Vietnam Proposes Vacant UN Seat

BANGKOK — Vietnam renewed its annual call for expulsion of Cambodia's Khmer Rouge representatives from the United Nations on Thursday, but it said the rival government it supports in Phnom Penh is prepared to leave the UN seat vacant.

Vietnamese troops overthrew the regime of Pol Pot in late 1978, but his Khmer Rouge, who are now part of a broader coalition government in exile, are supported at the United Nations by a large majority. The body began its 37th session Tuesday with Prince Norodom Sihanouk, president of the coalition, as Cambodia's chief delegate.

The official Radio Hanoi said Thursday that scaling of the Vietnamese-backed Cambodian regime would be legitimate but, that, out of goodwill, the regime was not demanding the seat for the time being.

### Palace Intruder Acquitted of Theft

LONDON — Michael Fagan, who evaded royal security to get into Queen Elizabeth II's bedchamber July 9, was acquitted Thursday on a charge of theft from an earlier break-in. Mr. Fagan had been accused of drinking about one-third of a bottle of wine on June 7 in Buckingham Palace.

The jury of seven men and five women took 14 minutes to decide that Mr. Fagan, 30, was innocent after a five-hour trial. A conviction would have meant a fine.

But Judge James Miskin brought two more indictments against Mr. Fagan — taking a car in London on June 16 without the owner's consent, and assaulting a man on June 26, doing bodily harm. Mr. Fagan pleaded guilty to taking the car, but not guilty to the assault charge. Judge Miskin ordered him held until a new trial Oct. 4.

### Soviet Marshal Warns on Arms Race

MOSCOW — Marshal Viktor Kulikov, commander of the Warsaw Pact, warned Thursday that the Soviet Union would match any building in U.S. military strength.

In an interview with the Novosty press agency, he said the United States was aiming for military superiority and trying to win public backing for a major armaments drive.

"But it is quite obvious that no one can upset the existing military-strategic balance and attain superiority in present-day conditions," the marshal said. "Those who are nurturing such plans are clearly exaggerating their capabilities and losing sight of the other side's potential, which will not stay passive in the face of military preparations directed against it."

### U.K. Social Democrats Elect Williams

LONDON — Shirley Williams, a founder of the Social Democratic Party, was elected to the party's No. 2 position Thursday by an overwhelming majority.

Mrs. Williams, 52, a former Labor Party minister of education, was elected with 19,006 votes, or 65.8 percent of the vote, according to results of postal balloting announced by party officials. William Rodgers, Mrs. Williams' nearest rival and another founding member, received 5,544 votes, or 19.4 percent.

Roy Jenkins was elected the party's leader in July over former Foreign Secretary David Owen. Mr. Jenkins and Mr. Owen are also founding members of the party, which was formed in March 1981 in reaction to the leftward trend of the Labor Party.

### Afghan Leader Names Defense Aide

NEW DELHI — President Babrak Karmal of Afghanistan appointed General Abdul Qader, a hero of the 1973 and 1978 coups, as defense minister Thursday, Kabul radio reported.

General Qader replaced General Mohammad Rafi, who has been criticized by Mr. Karmal's supporters for weak leadership and an inability to check the Afghan insurgency against the Soviet-backed government. The broadcast said General Rafi was appointed deputy prime minister, a largely ceremonial post.

Mr. Karmal also named a close aide, Sarwar Mangal, as minister of higher and vocational education, according to the newest monitor here. Last week, Mr. Karmal dismissed the education minister, Pohamal Gulaid, and the information and culture minister, Abdol Majid Sarbuland. Both were retained as deputy prime ministers.

Compiled From Agency Dispatches

## Draft of Constitution Is Approved in Turkey

ANKARA — Turkey's military-appointed National Consultative Assembly approved a draft constitution Thursday and agreed that a national referendum on the document should be held Nov. 7.

The charter, which was heavily criticized inside and outside the assembly for being potentially repressive and investing excessive power in an executive presidency, goes now to the ruling five-man National Security Council for ratification.

The council is made up of the five generals who took power five years ago in a bloodless coup. Assembly members voted 120-7 in favor of the draft, with 12 abstentions, after a debate lasting nearly two months. The delegates passed several amendments to the original draft drawn up by a Constitutional Commission, but the central features of the draft remained intact.

The draft envisages a president elected to a seven-year term by a one-house parliament, itself elected for five years by universal suffrage. It contains a temporary clause under which the head of state, General Kenan Evren, will be elected automatically as the first president if the constitution is approved in the referendum.

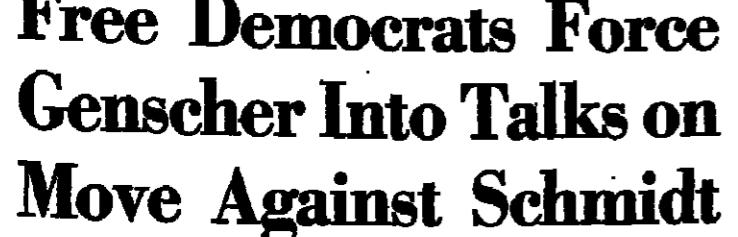
Under the draft, communists and fundamentalist religious parties will be banned and tight restrictions imposed on trade unions. There are also broad provisions for curbing individual and press freedoms to protect the integrity of the state.

Amendments passed by the assembly included a clause saying the prime minister, who is to be appointed by the president, must be a member of parliament.

The assembly replaced a clause that apparently would have empowered the president to dismiss the prime minister; the delegates made it clear that the head of state would accept a prime minister's resignation.

It voted that recommendations of a new national security council, a sort of inner cabinet chaired by the president, should not be compulsory, on the cabinet as envisaged in the original draft.

The document will replace the liberal 1961 constitution abolished by the generals.



## WORLDWIDE ENTERTAINMENT

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**LE BALLET DE L'OPERA DE ROME**  
DANS  
ESOTERIK SATIE  
de LORCA MASSINE

By Drew Middleton  
New York Times Service

NEW YORK — The forces of U.S., French and Italian troops taking up peacekeeping duties in Beirut face far more complicated and hazardous military problems than those encountered by the units that supervised the withdrawal of the Palestine Liberation Organization forces, according to U.S. and NATO military analysts.

The officials emphasized that the changed conditions in the city could require a larger force than that now contemplated.

Among conditions cited that argue against a short and relatively peaceful operation include possible remnants of the original PLO forces in and around Beirut, hundreds of PLO combat personnel in northern Lebanon, strong guerrilla forces across the "porous" Syrian frontier and Syrian forces in the Bekaa Valley.

Analysts in the United States and at North Atlantic Treaty Organization headquarters in Brussels seriously question the capacity of the regular Lebanese forces to

contain the Phalangist Christian militia, various Moslem militias and to block revival of PLO activity.

The Lebanese Army has a nominal strength of 22,500 men, but casualties in the civil strife of the last decade and defections to pri-

ates argue that the PLO forces that withdrew into Syria have been rearmed to some extent. These sources also said that the Israelis were correct in reporting that mortars, heavy machine guns, mines and ammunition stocks had been hidden in and around Beirut.

One conclusion being drawn from these changed conditions is that once the Israeli Army withdraws, the PLO will resume operations, primarily against the Phalangists. Such action, it is feared, could involve the international peacekeeping force.

European analysts tend to take a less optimistic view of the future of that force, particularly the U.S. contingent of a Marine Corps battalion. They point out that the Americans will be prime targets for PLO snipers, especially because the United States is recognized by the guerrillas as Israel's armor and paymaster and therefore largely responsible for the defeats suffered in the fighting against the Israeli.

The consensus among military planners is that the PLO forces that withdrew into Syria have been rearmed to some extent. These sources also said that the Israelis were correct in reporting that mortars, heavy machine guns, mines and ammunition stocks had been hidden in and around Beirut.

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Although he did not say so directly, Mr. Kreisky made it clear that he believed that the Israeli Army bore the overall responsibility for last week's massacre in Lebanon.

He said that when he again sees the PLO's leader, Yasser Arafat, who was due to visit him in Vienna this month until "scheduling difficulties" intervened, he will urge him to keep the Palestinians from returning to terrorism, now that they are scattered after the siege of Beirut.

"But that will be very difficult for them," he conceded. "Very difficult, but absolutely important."

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## Economy Is Top Issue In U.S. Survey Giving Democrats a Big Edge

By Adam Clymer  
*New York Times Service*

NEW YORK — With six weeks until the elections, economic concerns, rather than social issues dominate voting intentions, and Democrats are preferred over Republicans in congressional races by a wide margin, the latest New York Times-CBS News poll shows.

The Democratic edge appears big enough, if it lasts until Nov. 2, to give President Ronald Reagan's working control of the House of Representatives.

The Republican campaign tressay, the quality of individual campaigns, foreign crises or a run of good economic news could alter the picture reflected last week in the poll of 1,305 registered voters. But the survey showed that 54 percent of those surveyed supported or leaned toward Democrats in the congressional elections and 38 percent with Republicans.

Critical views of Mr. Reagan and his party on the economy dominated the poll's findings. Among registered voters, 61 percent said they would trust Congress more on handling the economy than they would the president. Twenty-nine percent preferred Mr. Reagan.

**Prices and Unemployment**  
Two-thirds of the public continues to feel that prices are going up as fast as or faster than they were a year ago, despite Republican arguments that the rate of inflation has been cut.

Mr. Reagan's party continues to be regarded as much less effective than the Democrats in coping with unemployment, providing a fair subject of making the right decisions on Social Security.

Converting national vote totals into aggregates for the 435 House races cannot be done precisely, but such a margin would probably mean a Democratic gain of nearly 40 seats, party leaders said.

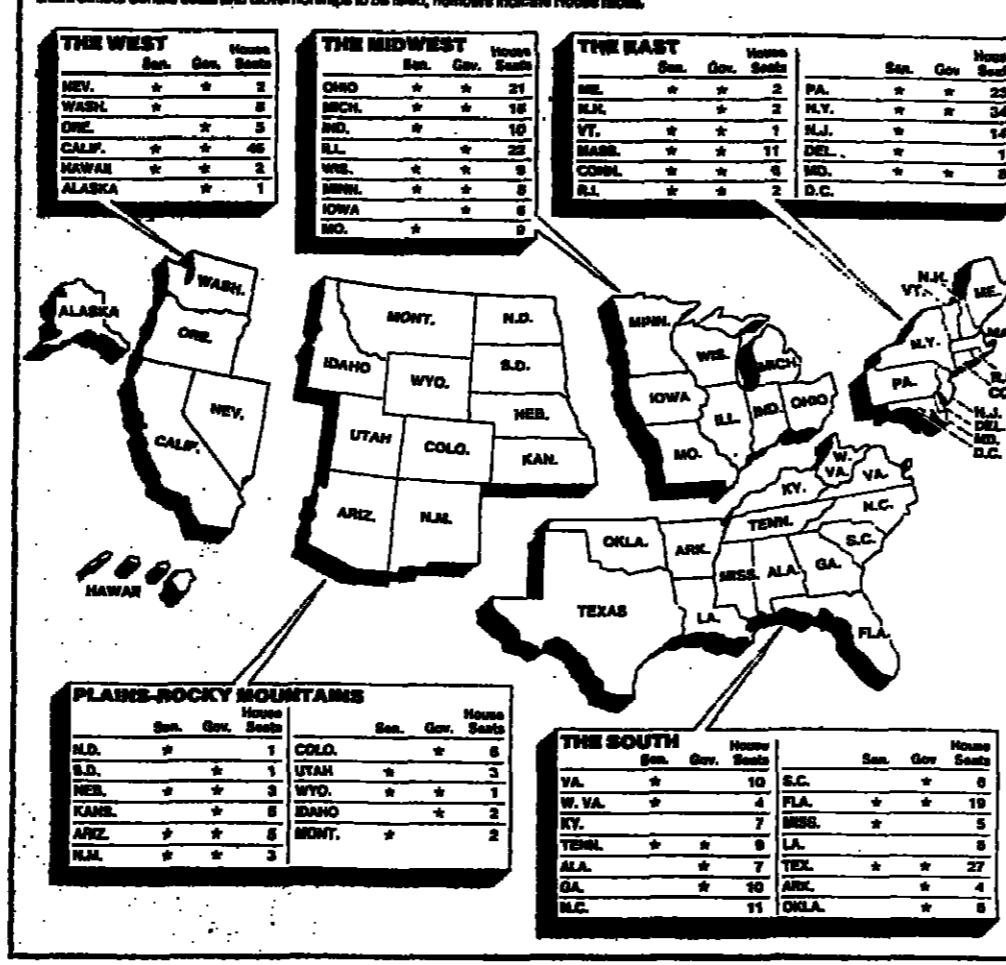
The House now has 241 Democrats and 192 Republicans, with two Democratic seats vacant, but the Reagan administration has won many key roll calls by fewer than a dozen votes, with near unanimous support from Republicans.

Republicans appeared to be in particular trouble where they count most on winning in districts in which Republican incumbents are running. Among respondents to the poll in Republican districts, Democrats were preferred, 47 percent to 43 percent. In 1980, Republicans who won contested races averaged 65 percent of the votes in their districts.

Democrats held a lead of 60 percent to 32 percent in Democratic districts, a ratio like their average share of 67 percent in the districts their party won in 1980. In the 58 "open" districts, those with no incumbent candidate, the responses did so, too.

### A 1982 Political Portrait of the U.S.: Seats Up for Election in Each State

Stars denote Senate seats and gubernatorial to be held; numbers indicate House seats.





## Brazil's Government Loosens Its Grip a Bit For Coming Election

By Warren Hoge  
*New York Times Service*

RIO DE JANEIRO — "This space reserved for dishonest candidates" reads the inscription on the Corazz Brothers furniture company have placed outside their warehouse in a São Paulo suburb.

From the look of things everywhere else theirs could be the only

wall in Brazil that campaign sloganists have spared as the country

grubbiest approaches its first

free nationwide elections in 20

years.

The vote, scheduled for Nov. 15,

is the latest step in the gradual li-

eralization program being con-

ducted by the nation's president,

Gen. João Baptista Figueiredo.

Called "abertura," the Portuguese

word for "opening," it has already

prompted the lifting of most cen-

sorship, the freeing of political

prisoners, the ending of restric-

tions against organizing political

parties and an amnesty that affect-

ed thousands of Brazilians who

left the country or lost their politi-

cal rights.

Although the government has

gone to extreme lengths to estab-

lish rules designed to favor its own

hopefuls, opposition candidates

believe they will make significant

gains.

Among those running are re-

turned exiles, former President

José Sarney, a star soccer player

from Brazil's national team, and

the Brazilian ambassador to Brit-

ain, Roberto Campos.

Few points of view are not

represented. Among those running

in the state of Paraná are a voodoo

practitioner, homosexual-rights

and black-power advocates, femi-

nists, an evangelical hymn singer

and candidates assailing discrimi-

nation against the Ukrainian and

the Japanese communities. A

local council candidate in the city of

Porto Alegre is offering himself as

"an intransigent defender of drink-

ing and smoking."

Voters will choose governors,

senators, congressmen, members

of state assemblies and city coun-

cils, and mayors of all cities except

state capitals and those designated

national security areas. They will

also determine the makeup of the

electoral college that will select

Mr. Figueiredo's successor in 1985.

The body will be composed of the

members of the Senate and the

House and six representatives of

each state assembly.

While the opposition is expected

to win some key statehouses, the

outcome will not amount to a tell-

ing exchange of power or a chal-

lenge to the existing system be-

cause of the overriding powers

President Figueiredo holds and the

ultimate authority wielded by the

military.



21 HOSTAGES FREED — Leftist rebels holding businessmen and senior government officials at the Chamber of Commerce in San Pedro Sula, Honduras, released 21 of the hostages Wednesday. One of them, Alirio Valencia, center, was allowed to leave with Red Cross officials. The rebels, who seized the building last Friday, still held 60 men captive.

## One Way or Another, U.S. Keeps Belize Afloat

### Official Aid and Illegal Trade Prop Up Economy of Former British Colony

By Dual Torgerson  
*Los Angeles Times Service*

BELIZE CITY — The United States, thanks to illegal immi-

grants, smugglers and government

largeesse, is keeping the wheezing

economy of Belize alive.

Belize was British Honduras until it became independent a year ago Tuesday. With parades and speeches, beneath banners proclaiming "Forward Together," it celebrated independence with the grim knowledge that things are even worse economically than they were when the British were in charge.

The fault lies with the price of sugar, which accounts for 60 percent of Belize's foreign income. Last year the crop was worth \$44 million. This year farmers increased production by 8 percent, but the crop, now in, is worth only \$31 million.

"We need to diversify the economy," said Attorney General Said Mussa, a member of the prime minister's economic cabinet. "We need to get away from sugar."

Belize has in fact gotten away from a one-crop economy — but illicitly. Hundreds of thousands of

tons of marijuana are produced every year, despite the efforts of the police.

Foreign diplomats say marijuana is surely the No. 2 export crop, behind sugar. Others say it is No. 1. The police said recently that they seized 500,000 pounds of marijuana in June and July.

At a news conference this week, a reporter pointed out to Prime Minister George Price that that much marijuana, sold to drug traffickers in Belize, would be worth about \$50 million, more than the 1982 sugar crop.

"I reject that assessment of value," Mr. Price snapped. He said he did not agree that if that much had been seized, several times that much must have slipped through. No one knows what got through, he said, adding:

"The police are doing what they can, but it is a big country, and we have a small number of police."

Belizeans have about 140,000 people in an area the size of El Salvador, which has about 5 million. Much of the country is bush and jungle.

Belize is also a transshipment point for marijuana from Latin America. Travelers returning from

the northern part of the country tell of seeing planes taking off at night from little-traveled highways, apparently heading for the United States, the chief market. Marijuana is also believed to be shipped north by sea.

It is estimated that one in five Belizeans works in the United States for the most part illegally. There are as many Belizeans working there as in Belize itself, officials say.

Those who go to the United States are mostly blacks from around Belize City who speak English and can be accepted at border points as black Americans.

There are said to be so many Belizeans in Los Angeles that a brewery here exports Belikin beer, a local product that features a Mayan temple on the label, for homesick Belizeans there.

The police are doing what they can, but it is a big country, and we have a small number of police."

PRAGUE — Gustav Husak, the Czechoslovak president and Communist Party leader, returned home Thursday from a three-day visit to Bulgaria, the official news agency CTK reported.

## Smaller Cars More Unsafe, Study Finds

By Robert C. Siner  
*International Herald Tribune*

WASHINGTON — Small two-door automobiles continued to run up the worst safety records of any models sold in the United States, while large U.S.-made four-door cars and station wagons scored best, according to an insurance industry study.

The study, issued Wednesday by the Insurance Institute for Highway Safety, a non-profit group funded by the U.S. automobile insurance industry, showed that small two-door models filled nine of the bottom 11 places in the listings for personal injury. The study also showed that small sports and specialty models had higher average repair bills for collision damage than other types of cars.

The figures, based on nationwide crash statistics, bore out previous studies that found that generally, the larger the car, the lighter the injuries, all other things being equal. However, the figures also showed that there were large variations in injury claim frequencies among cars in the same size and body-style groups.

A spokesman for the insurance institute, Ben Kelley, said that "all the cars being driven today are ob-

solete in terms of safety," indicating that none was truly safe, only unsafe to a lesser degree.

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## The Petroleum Reserve

All through the first half of this year, both the buyers and the sellers of oil have been telling themselves that the market would surely tighten by late summer. The big industrial countries would have to start stockpiling for the winter. Those rising sales would help OPEC enforce its price system, and strengthen it after a year in which its authority has been visibly eroded.

But it did not happen. Conservation of oil, in the United States and throughout the world, has been much more effective than most people expected. Industrial use is being held down by the prolonged recession. Inventories are down. The reasons are all perfectly clear in retrospect. But the effect is greater than almost anyone foresaw.

The heaviest impact falls on OPEC. The oil exporting countries outside OPEC, like Mexico, have continued to produce briskly. In contrast, OPEC, dominated by Saudi Arabia, is struggling to maintain its prices. All of OPEC's members are now producing far less than they would like. Saudi production is now down around 5.5 million barrels a day — hardly more than half the rate that it had reached last summer. Some of the OPEC governments — Iran and Libya most aggressively, and occasionally Nigeria and Venezuela as well — are now selling their oil below the

OPEC prices in an effort to keep their revenues up. Economic tensions in OPEC unfortunately exacerbate other tensions throughout the Middle East. Even before the oil market began to shrink, the internal divisions within OPEC lay chiefly between the conservative states of the Gulf on one side, and the Iranians and the North African radicals on the other. And now those divisions have become wider than ever.

For the United States and the other industrial countries, it is a prospect of continuing instability in oil prices and supplies — precisely the opposite of the predictability that the Saudis have been trying to establish. The major reason is the war between Iran and Iraq. If there is peace, or if either country manages to raise exports substantially without peace, oil prices will decline further, and OPEC might well fall apart. If the war were to spread, it would threaten a severe shortage and sharply higher prices — for those countries still able to move their oil. Neither possibility is very inviting for the Saudis. As for Americans, budget deficit or not, they need to keep putting oil into their strategic petroleum reserve. It is now the equivalent of about two months' imports. A three months' supply would be a little more comforting.

—THE WASHINGTON POST.

## The Democrats' Agenda

From the moment Ronald Reagan was elected, Democrats started asking themselves: What will be the new liberal agenda? For many Reagan critics, the answer has become steadily clearer: the old one. They feel rising passion about jobs for the unemployed, training for the unskilled and patches for the tattered social safety net.

In other words, politics as usual. It is always easy for the *outs to snipe, much harder to propose affirmative ideas.* That is why a new report from the House Democratic caucus, the first of a series, merits attention. "Rebuilding the Road to Opportunity" shows some Scotch-taped signs of bargaining and blandness. Nonetheless, it works hard to rise above intraparty and even partisan rivalry to focus on long-term national goals.

The key proposal might be called MITTINUS. MITI is Japan's Ministry of International Trade and Industry, which has a powerful hand in determining that country's public and private economic priorities. The authors of the Democratic report, Gillis Long of Louisiana, Timothy Wirth of Colorado and Richard Gephardt of Missouri, do not have so authoritarian an institution in mind. But they do believe that America urgently needs some kind of vehicle for a constructive partnership between business, labor, universities and the government.

They propose an Economic Cooperation Council to provide "a center of American expertise" to monitor the changing domestic

economy and its capability to respond to international competition. This council would also provide a forum for clarifying America's economic choices and developing consensus and political support.

In the view of the Democratic draftsmen, the nation should point itself toward growth and fairness — with such an institution as the centerpiece. More specifically, they call for increased public investment in growth: high technology, infrastructure like roads, bridges and coal ports; rebuilding basic industries; and more education and training, as the number of well-educated workers goes down and the number of unskilled workers goes up.

All this involves its share of mirrors. Democrats scoff when President Reagan says he is cutting taxes, decreasing the deficit and increasing defense spending all at the same time. But how can they pour \$50 billion into a new investment program while they decrease the deficit and control inflation? At least the Democratic document acknowledges the need for making choices.

The idea of a national economic partnership is not electric, like an National Recovery Administration or a Great Society — but students of the economy concur that such a future may be familiar Democratic Party goals — but purposeful investment in growth is not. The Democratic proposals could put new life in the old liberal agenda.

—THE NEW YORK TIMES.

## A Note on Amin Gemayel

On this page today we publish an article prepared on the eve of his assumption of the Lebanese presidency by Amin Gemayel. One part of it requires, we believe, comment.

Mr. Gemayel, in the course of deplored the weekend massacre of Palestinian civilians, says that neither his Kataeb (Phalangist) party nor its members had any involvement or association with it. Nothing so far is on the public record to indicate that Mr. Gemayel or other competent Phalangist leaders had any role in what went on. Eyewitnesses have reported, however, that among the gunmen were militiamen in the Phalange uniforms. In other contexts, Mr. Gemayel is reported to have acknowledged some participation by

—THE WASHINGTON POST.

## Other Opinion

## The Beirut Massacre

Will Israel conduct the prompt, full and impartial investigation of last week's slaughter of Palestinians in Beirut that its own role in the tragedy calls for? Not if Prime Minister Menachem Begin and most of his Cabinet have their way. Begin's method for facing up to the shattering questions of possible official Israeli wrongdoing has been first to deny any responsibility at all, then to seek to retain full control over any investigation that outraged public opinion might force on him. This simply won't do.

Begin has good reason for wanting to avoid a free and nonprejudiced inquiry. Information developed largely by the Israeli press already points to a damning and conscience-searing record of gross irresponsibility and, probably, deliberate *callous inaction* on the part of Begin's government in the Palestinian massacre. Allowed to emerge in fully detailed truth, this record could well prove politically fatal to Begin and his cohorts.

And so the Begin cabinet has chosen the not-unfamiliar course of stalling and evasion, meanwhile holding out the possibility of an

investigation under its own auspices at some future time. The odor of cover-up is unmistakable. Equally unmistakable is the wave of moral anguish that has swept over Israel in the wake of the Palestinian massacre. If they are to be faithful to themselves, Israelis must not allow the cover-up to proceed.

—The Times (Los Angeles).

## Schmidt's Support

German Chancellor Schmidt's firm handling of his erstwhile coalition partners has certainly closed his party's ranks behind him. But it is legitimate to suspect that this solidarity will not last long. The disputes of the last year and a half have created wide personal rifts that will not heal quickly. But even more important are the differences on points of principle like acceptance of the NATO missile decision, the attitude to nuclear power and relations with the "Green" and pacifist movements. All these matters were at the root of the coalition's breakup and none of them has been settled by the new turn of events.

—The Neue Zürcher Zeitung (Zurich).

## SEPT. 24: FROM OUR PAGES 75 AND 50 YEARS AGO

## 1907: Future of Philippines

PARIS — Today's editorial in the Herald reads: "It is universally felt that the abandonment of the Philippines to their own resources or to some other foreign power is more than inadvisable; it is impossible. The national honor would be tarnished if the American flag were hauled down in the Philippines, and national prestige abroad would suffer if the American people were to settle out of the islands and thus confess that they lacked confidence in their ability to succeed abroad as they have succeeded at home. On the other hand, the U.S. Constitution does not make any provision for the government of subject races, and there is a general reluctance to amend it in this respect."

## 1932: Students 'Work Harder'

PARIS — American students are taking education more seriously because of the depression, according to John Grier Hibben, who retired in June after 20 years as president of Princeton University and is now visiting Europe. "The depression has hit American universities in two ways," he said. "The securities representing their endowments are paying smaller dividends, and the students are poorer and thus find greater difficulty in paying tuition. But because of the difficulties the students work all the harder to get what they can out of their education." College alumni are helping materially to enable students to obtain an education through loans, the former president said.

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## Why Israelis Must Not Avert Their Eyes From Evil

By Anthony Lewis

BOSTON — In the holiest week of the Jewish year, the week of penitence, the prime minister of Israel has closed his eyes to evil and rejected the doctrine of personal responsibility. That has been Menachem Begin's reaction to the Beirut massacre, ending in his refusal to have an impartial commission of inquiry.

It is the offense to Jewish values that is most astounding in what Mr. Begin has said and done since last weekend. For years Jews have condemned the silence of the world when Jews were persecuted and murdered. To avert one's eyes from evil, Jews said, was the worst of sins. And we were right.

Now Mr. Begin is acting to conceal the truth of what happened in Beirut, and to deny a political responsibility that cannot be denied. Consider what we do know about the events in Beirut last week. Even taking everything at its absolute minimum, the responsibility of the Israeli government is obvious.

The Israel Defense Forces had taken full control of Beirut and sealed off the Palestinian refugee camps. Then they invited the Phalangist militia, blood enemies of the refugees, into the camps for mopping up operations. The Israeli cabinet on Sept. 16, approved the plan to let the Phalangists into the camps.

The mass murder in the camps began during

that night and went on until Saturday morning. By Friday morning, at the latest, high Israeli officials had been informed that something terrible was happening, but the army did not intervene for many more hours.

Israeli forces on the scene must have known about the shootings for a long time. Some of the killing took place within view of a main Israeli observation post in West Beirut. David Lamb of the Los Angeles Times wrote: "By 4 p.m. Friday the killing had continued for 19 hours. The Israelis, stationed less than 100 yards away, had not responded to the sound of constant gunfire or the sight of truckloads of bodies being taken away from the camps."

To all this the Israeli cabinet responded on Sunday, Sept. 19, with a statement of indignation and total denial. Though issued as a cabinet document, it bore the personal stamp of Mr. Begin. It was printed in full-page advertisements in American newspapers this week.

The massacre took place, the statement said, "in an area where there was no position of the Israeli Army." It said the army put an end to the slaughter "as soon as it learned of the tragic events." According to the evidence that came in during the week, both of those assertions were

false. The statement rejected any claim that the Israeli forces bore "any blame whatsoever for this human tragedy."

Yet there could be no doubt of the responsibility: the absolute moral and political responsibility of a power that occupies a city, with the declared intention of maintaining order, and lets an armed group work its will on its mortal enemies. The U.S. State Department spokesman, John Hughes, said it succinctly enough: "If you assume military control of an area, you are responsible for what happens there."

No one in Israel who was the least detached had any doubt of the realities. Ma'ariv, a newspaper that usually supports the Begin government, said it was impossible "to pose as naïve" about the nature of the Phalangists "and what they have perpetrated in the past," or to pretend that they were likely to "behave with restraint" in the camps.

Ma'ariv said:

"We must have enough integrity and strength of character to admit, first of all to ourselves, that by our entry (into West Beirut), by our presence, by our exaggerated confidence in the Phalangists, we are indirectly responsible for the terrible pogrom that took place there."

If Mr. Begin had taken such a forthright position, if he had accepted responsibility and let the facts be found in a credible way, he would have had the respect even of his critics. As it is, his reaction to the events is in a way more terrible than the events themselves. For by denying all he has made all suspect: he has implicated his country, and his people, in what was the political responsibility of a few.

His Cabinet statement of denial said that any claim of Israeli responsibility for the massacre was "a blood libel against the Jewish state." The term "blood libel" referred to the horrible old anti-Semitic superstition of Central Europe that Jews took the blood of Christian children at Passover. Thus Mr. Begin enlarged a collective charge against an entire people. He made righteousness obscene.

The Israeli forces outside the refugee camps turned their eyes away from what was happening. Mr. Begin closed his to the knowledge of evil. And so did the Kataeb majority in refusing to order a judicial inquiry. That is where we are in this week of penitence.

But I do not believe. I cannot believe it will test there. The character of Israel will not permit this mockery of Jewish tradition to stand.

The New York Times

## Amin Gemayel's Plan For Lebanon's Future

The writer prepared this commentary for The Washington Post before becoming president of Lebanon on Thursday.

By Amin Gemayel

part in both responsibilities and benefits.

4. To rebuild the Lebanese Army, which would protect our internal security, and equally important, guarantee Lebanon will not be used to undermine the security of its neighbors, Israel and Syria.

5. To establish the strongest bond between Lebanon and the United States. Politically, culturally and economically, our countries have a great deal in common. We want to consolidate a permanent relationship, which is imperative for Lebanon's survival and American interests.

We are grateful for President Reagan's noble role and for the labor of Ambassadors Philip Habib and Morris Drucker and the American administration and people to bring peace to Lebanon. We hope the United States will continue its efforts to ensure the withdrawal of all foreign forces.

The unity, spirit and strength of the Lebanese people have once again stood their ground in the aftermath of Bashir's calamitous death, almost of Lebanon's leaders — Sunnis, Maronites, Shiites, Greek Orthodox, Druze, Greek Catholic — gathered together at his funeral in a unique show of unity in our bleeding country. Lebanon's unmistakable political institutions once again took on their customary task of electing a president.

In the short run, both governments want the bases to remain. To Mr. Marcos, they are a valuable economic stimulus and, since the bases would be worthless if political and social order were to break down, an assurance of continued American support for his regime. To Mr. Reagan, the bases provide indispensable maintenance and staging areas that permit projection of American strategic power to counter the growing Russian presence in Southeast Asia and the Indian Ocean.

In the short run, both governments want the bases to remain. To Mr. Marcos, they are a valuable economic stimulus and, since the bases would be worthless if political and social order were to break down, an assurance of continued American support for his regime. To Mr. Reagan, the bases provide indispensable maintenance and staging areas that permit projection of American strategic power to counter the growing Russian presence in Southeast Asia and the Indian Ocean.

Agreement on this central point arises, however, not from the strength, confidence or shared purpose of the two governments but from their complementary vulnerabilities. Each of them desperately needs something the other can provide, and this is likely to raise the price of the eventual settlement.

Americans have interests of many kinds in the Philippines, but there is only one reason for U.S. dependence upon Ferdinand Marcos: the Reagan administration's heightened need for major forward bases in the Philippine archipelago. The need for forward bases somewhere in Southeast Asia is traceable to the fall of the shah of Iran and the buildup of Soviet naval power in the Indian Ocean and the ports of Vietnam. To counter this Soviet presence, reassure China, protect U.S. access to "the back door to the Middle East" and defend the petroleum lifeline of Japan, the United States has reversed the process of strategic withdrawal from Southeast Asia that began toward the end of the Vietnam War. The naval facilities at Subic Bay and the giant air base at Clark Field are the only existing American bases that can support an expanded American role in the region.

This need has not been so. In the triangle formed by Singapore, Guam and the west coast of Australia, there are many sites which, if properly developed, could serve as well as Subic and Clark. Between the end of the Vietnam War and the shah's fall, as the corruption, repression and economic vulnerability of the Marcos regime revealed themselves, responsible Americans in and out of government urged the development of alternate sites to make sure that U.S. strategic interests would not become hostage to Mr. Marcos' political fortunes. Rejected then as costly, time-consuming and inconvenient, the option is no longer practical now that an American buildup has begun. As a result, Mr. Reagan must placate and actively support the landlord of the only bases available.

Although Congress may balk, the Reagan administration will be tempted to play Mr. Marcos' game. Mr. Marcos is a survivor, and, if his health holds, he may govern the Philippines for several more years.

There may be no alternative to dealing with Mr. Marcos this time, but the United States should start now to lay the foundations for a different future. Three modest steps therefore suggest themselves to the United States: insist upon further and more substantial liberalization of the regime; strengthen contacts with responsible critics and begin dispersing the base functions of Subic and Clark to alternative sites.

A further question: what credit is Russia getting? I have read that Russia's interest cost on the transaction is well below what a normal rate would be and below what Britain would charge any of its allies on a similar transaction. Is this fair, or even prudent?

WARREN SNYDER, Paris

## Jewish 'Singularity'

Regarding "A Wise Man's Ambition for Israel" (IHT, Sept. 11):

Flora Lewis' analogy of Nachum Goldmann carries a singular view — a very short-sighted one — of Jewish history, when she proclaims that despite biblical battle victories Jews were dispersed — but exist due to their "singularity." Her text implies that this "singularity" can only exist in a diaspora or covering peace in Israel.

The Jewish singularity was expected, also, in the biblical battles and because of them. Who remembers to

It is very close to Delhi and is part of India.

L.D. VORA  
Lagos, Nigeria

## Qaddafi's Program

Regarding "Qaddafi's Changes Wrench Libyans" (IHT, Sept. 13): In fairness to Colonel Qaddafi, Alan Cowell's front-page piece should have also mentioned that Qaddafi's Libya has produced free medical, educational and housing facilities — fundamental human rights. These are the envies of Third World countries. My point is made.

## WEEKEND

September 24, 1982

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## 'Betrayal,' Loyalty, Hollywood and Sam Spiegel

by Mary Blume

ONDON — "Sweetheart," said Sam Spiegel over a luncheon of smoked salmon and scrambled eggs, "I haven't been to Hollywood even for a day's visit for over three years. I don't feel at ease in Los Angeles at all."

He does feel at ease in London and New York, where he keeps apartments, and in Saint-Tropez, where he keeps up his reputation for high living — although a shocked friend claims to have seen Spiegel recently with a girl who was at least 30. Spiegel, who admits to being 78, is the greatest film producer of the postwar period — he made "The African Queen," "On the Waterfront," "The Bridge Over the River Kwai," "Lawrence of Arabia" — but in recent years he hasn't been much in view except at social occasions, which he graces with charm and great aplomb.

Now he has been drawn back to work by Harold Pinter, a friend and the scenarioist of "The Last Tycoon," Spiegel's last and unsuccessful Hollywood effort.

"Harold and I are very old friends and whenever he has a new play he wants to know what I think of it." One day Pinter gave Spiegel a new play called "Betrayal." "I read it. I wasn't moved by it but I was delighted to read it in London they cast it with the most electrifying cast I'd ever heard of. I thought if it's actions who give you to your seat."

The New York cast was a lot more adhesive and when Pinter said "Sam you should get yourself out of your boredom and do it as a picture," Spiegel was ready to listen.

"Betrayal" has now been filmed with director David Jones, whose first film is, and actors Jeremy Irons ("The French Lieutenant's Woman"), Ben Kingsley (soon to be seen as Gandhi) and Patricia Hodge, who recently played Nancy Mitford on the London stage. For the first time, Spiegel used his own money to finance the film.

"You get more and more involved," he says. "There's a certain point of no return: You are committed and at that point you'll step over everyone to do it."

"Betrayal" cost less than one big star's salary. "Very few people go to the pictures for stars," Spiegel says. "They've seen all they can of Burt Reynolds or Clint Eastwood. It's a repeat performance each time. The proof of the pudding is the success of 'Chariots of Fire' with no names."



Sam Spiegel.

by nothing but Lawrence of Arabia. David Lean wanted Marlon Brando. I like Marlon, but I wanted Lawrence to enter unheralded."

Spiegel thinks that audiences, glassy-eyed from intergalactic warfare, are ready for something more intimate and that "Betrayal" occurs not only through will but through innocent impotence. The point is that all three people betray each other — the act of betrayal is impossible to avoid in our society."

The betrayal of the title, he says, is intellectual as well as sexual and emotional. "Most people identify with the fact that you're not eternally faithful to the same person and that betrayal occurs not only through will but through innocent impotence. The point is that all three people betray each other — the act of betrayal is impossible to avoid in our society."

As a producer Spiegel has been remarkable for his taste, cunning, New Year's Eve parties and the 23 Oscars his films have won. His great films were, he says, as rich in theme as they were big in size.

"In 'The Bridge Over the River Kwai,' the theme was disloyalty to a country in the name of the genius of a country's spirit: Alec Guinness builds a bridge that helps his Japanese enemy but the bridge is superbly built."

"In 'Waterfront,' there was again the conflict of loyalties — the loyalty to the Mafia from which the Marlon Brando character sprang and the sudden discovery of the existence of conscience."

"On the Waterfront" was also about informing, and Eli Kazan, its director, was notorious for having been an informer during the McCarthy days (the screenwriter, Budd Schulberg, also named names). Spiegel justifies his choice by saying he employed blacklisted writers on other films; the fact that he got Brando to sign for the film was a miracle of persuasion.

"Marlon never wanted to forgive Kazan for his betrayal, because there was an old actor named Smith, a friend of Marlon Brando, who died as a result." "Waterfront" asks should a man denounce the legal authorities the sins of his tribe. Marlon felt the script justified Kazan's behavior.

"People's political problems should not affect their ability to make a good picture. Making a good picture for me transcends all political questions. The conflict of loyalties will transcend McCarthyism long after we're gone. The subject is perennial."

Behind Spiegel's London desk hangs one of Francis Bacon's screaming

popes. Not many people would have the cool to live so close to such a searing image but Spiegel, who was born in Poland and has moved around a good deal since, is a fearless survivor. He looks like a Roman emperor but in the 1940s things were so bad — "I was extremely desperate" — that he changed his name to S.P. Eagle (when he resumed his real name, Variety's headline said, "The Eagle Folds Its Wings").

Those were bad days of deportation threats, financial hassles, noisy divorces, all of which Spiegel looks back on with total calm and amnesia.

"I have the ability to wipe out unpleasant names and events. I have seen people who I know dislike me because of their attitude and I'm asking where in the hell, in what country and in what point in my life ...

"It makes me so devoid of hatred. I don't know of any enemies in my life and I wish I did because I suffer enormously that I don't remember this face and these displaced teeth coming at me."

In little more than a decade, 1951-62, Spiegel made five Academy Award pictures. "It was dedication to the exclusion of every other mistress," he claims with the likely touch of hyperbole. "It was an obsessive period of time. I could match that again. I wouldn't want to. It was completely devoid of planning, motivated by new dreams."

In fact it is unlikely that Spiegel could match that period in today's Hollywood where, as he points out, producers are just packagers and budgets are beyond sense. "The profligacy with which people prepare a picture for \$40 million because they're not willing to take the time to make it for less, the lack of inventiveness of people who make pictures!"

"It took me some years to find out what makes a good producer. I became a good producer merely by not doing things I didn't think I should do. That's the trick of being good: to have the choice of saying no to something you're not wholeheartedly wed to. Any producer who reaches that stage has a chance of being good."

Spiegel's Hollywood chums have mostly died or given up. He remembers trying to urge the late David O. Selznick back to work.

"He got disenchanted long before I did and I thought it wasn't fair and we should try to reconquer the industry that we used to thrive on," Spiegel said. "He really died from disenchanted with the world in which he lived."

## Silence, Please, for John Cage

by Michael Zwerin

PARIS — John Cage, the most influential living musical explorer, adventurer and philosopher, is talking about silence. "There are the Indians and I have said all along that the sounds all around us are equivalent to music. In India they say that music is continuous, it only stops when we turn away and stop paying attention. There are sounds like a sphere with sound bubbles on its surface. I want to keep from interrupting the silence that's already here."

He once composed a piano sonata called "Four minutes 33 seconds," consisting of four movements, all silent. As the audience began to suspect that the pianist, who was looking at a stopwatch, was not going to play, they started to giggle, fidget, nudge each other, cough and blow their noses. Then these sounds, plus sounds from outside the hall, became themselves music. As pop art helped people recognize everyday objects as art, Cage revealed music where before there were only sounds or noise or silence.

"Once we had the Mona Lisa," Cage has said. "Now we also have the Mona Lisa with a mustache." So we come to the "prepared" piano. Almost 40 years ago he placed nuts and bolts and other objects — now he does it largely

with electronics — in the strings, his way of painting a mustache on the piano. Thus it became a variety of instruments with previously unknown textures that could be altered between movements or compositions. In the 1930s Cage wrote a composition for 12 radios, and was already experimenting with electronic and computer music.

In the United States he lives in a loft in the former B. Altman department store on the Avenue of the Americas, which, like all good New Yorkers, he calls by its old name, Sixth Avenue. "I love living on Sixth Avenue," Cage says. "It has more sound, and totally unpredictable sound, than any place I've ever lived. Some people call it noise, but I've always been interested in noise. It goes on night and day and at first I couldn't sleep through it. Now I enjoy it as much as a concert."

Somebody once said that all musically talented people have large ears, and Cage's are very large and exquisitely folded. He is calm, yet there is an inner spring that uncoils into the loudest silent laugh you ever didn't hear. The face is absolutely exploding, splitting with

laughter and yet there is only silence. The silent laughter comes frequently and finally breaks into its inherent joyous sound: noise.

Cage studied with the Zen philosopher Suzuki. He is a macrobiotic vegetarian and a mycologist, describing himself as "a hunter of mushrooms and sounds."

He speaks slowly, with great precision and often poetry: "If you want to be free of that thing that defines the ego, you must leave both the things you like and dislike. If you have learned to flow, the question of like and dislike might come up but they won't be important and whereas if they come up before that they are extremely important, and they stop the flow."

For flow he uses what he calls chance elements in his compositions, and chance for him is like "sitting cross-legged. Only instead of going inward toward the dreams it goes out through the sense of perception and effects the sound of my music. It enlarges the field in which my work operates. If I just used my flow."

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Continued on page 10W



John Cage.

## Among Art Collectors, Buying Is an Art in Itself

## Sometimes It's a One-Man Show

by Terry Trucco

TOKYO — When he first began jetting to London for important auctions of Chinese porcelain, pieces that sold for hundreds of thousands of pounds, Seijiro Matsukata flew on Aeroflot, the Soviet airline. "It was very cheap," he explains.

That was 10 years ago. These days Matsukata allows himself the luxury of an airline sleeping cabin for his three or four annual buying forays outside his native Japan. "It is very expensive but also very comfortable," he says. And comfort, he adds, is important to him now that he is 88 years old.

Japan, as anyone who follows the international art market knows, is a nation of wealthy, determined and devoted art collectors, particularly of Oriental art. It would be hard to find a more diligent, amiable or successful collector here than Seijiro Matsukata. Art has been a force in his life for years; ever since he purchased his first Japanese painting with the little money he had saved by the time he was 25.

He has never sold anything he ever bought, he notes proudly, and today his collection, which numbers more than 2,000 objects, encompasses a sampling ranging from Greek, Roman and Egyptian antiquities — works still scarce in Japan — to Persian ceramics and Buddhist figures. Chinese porcelains, particularly the large, sturdy-looking pieces from the early Ming and Yuan periods, are the collection's hallmark. Matsukata possesses what he calls the "Japanese affinity" for such works. But he has supplemented these with a sprinkling of Western paintings, including Victorian landscapes, examples by Manet, Laurens, Rousseau and Urillo and even British Old Masters. Pictures most Japanese eschew but which Matsukata finds "restful."

As with many wealthy Japanese, he has deposited the cream of his collection in a museum bearing his name. Open to the public, the Matsukata Museum is in Tokyo's Shinjuku district, not far from the city's cluster of commercial art galleries.

Like most of the world's avid collectors, Matsukata works closely with a few well-known dealers, particularly Giuseppe Emanuelli, a dealer in oriental art in London. But unlike many collecting veterans, Matsukata, an avid auction buff, attends all the important sales and, extraordinarily, does his own bidding.

"A dealer can't bid for me when it comes to an important auction," he noted recently as he sipped green tea in a back office of his museum. "Suppose I tell him he must stop bidding at £200,000 and then, once the auction has started, I decide I will have to spend more?" By sitting in the showroom, Matsukata has snapped up numerous treasures that might otherwise have gotten away.

Matsukata also relishes the style of Western auctions, with their air of excitement. "When I first went to auctions, I let the dealer bid for me," he says. "Then I realized it was interesting and decided to bid for myself."

Today, with a dignified manner, Matsukata is a familiar figure in the West's large auction houses. His reputation precedes him. As one London saleroom correspondent has noted, Matsukata's "determination to buy irrespective of cost" can profoundly affect the market. His tastes are distinct, and prices often "leap up," as another writer put it, when Matsukata is in the bidding.

If it seems strange, in this era of buying agents and anonymous bidding, for a wealthy collector to do his own bidding, it is odder still that the collector is Japanese. Despite its flourishing art market, which can be traced back to Shogun times, Japan is a country with no tradition of public auctions such as those held at Sotheby's, Christie's and the Hotel Drouot. Art collectors here invariably buy from dealers. Auctions occur with great frequency — as many as 20 sales a month in Tokyo alone — but are open only to a select group of dealers.

During his lengthy collecting career, Matsukata has often worked with other dealers, but he is critical of them, too. "In Japan, the dealers can secretly sell the good things," he says. At Western-style auctions, he believes, anyone who can afford to bid has a fair chance.

Perhaps his finest moment in the saleroom came in 1974 at Christie's sale in London of Chinese works of art from the Frederick M. Mayer collection. In a sale that has since joined the annals of auction-house lore, Matsukata spent £397,320 (then about \$169,000) on the first day. Numbered among his purchases were an exquisite Yuan Dynasty white meiping vase priced at £220,000 and a £60,000 blue-and-white bowl decorated with dragons.

Holding the brown cloth-covered Mayer catalog, Matsukata fondly turned its pages. Each of his purchases is signaled by a bright red mark



Seijiro Matsukata.

er, and viewed from the top the catalog looks like a red blur. Although he studied this catalog assiduously before the sale, Matsukata saw the actual objects for the first time the day before he bid. Still, he bought without hesitation: "It was an excellent collection," he says. "And an exciting sale with plenty of competition."

Matsukata regards his Yongle (1403-24) dragon bottle as another saleroom triumph. It was originally sold at Sotheby's in March 1974 for £420,000 to a banker from Portugal. But shortly after the sale, the buyer was imprisoned during the Portuguese revolution. As he couldn't pay Sotheby's, the auctioneers offered the piece to Matsukata, the underbidder, at a "negotiated price." Matsukata won't say any more than "It's one of the prize pieces of my collection."

Part of Matsukata's enthusiasm for Western-style art auctions may stem from his early associations with Westerners. Born into a family of rice merchants, Matsukata grew up in Tokyo's Tsukiji district, once the city's foreign community. There he learned English, became a Protestant and developed an ease with foreigners.

He worked first as a typist, then as a jewelry importer, but his fortune was built during the postwar years in real estate. Among the buildings he still owns is the monolith that houses his museum on its eighth floor.

Not surprisingly, this quintessentially self-made man has his own philosophy about art and collecting. Matsukata readily admits he never formally studied art, doesn't give a hoot about scholarly treatises and considers buying to be "the serious part."

"If you have a natural eye, you can best cultivate it through buying," he feels. His collecting credo is simple: When spending vast sums of your own money, you rapidly learn to avoid making mistakes."

"Do you give a discount?" he always added. Galleries usually give museums a discount of 10 or 15 percent.

Forty-five minutes and dozens of works later, Davenport would again blow his whistle. "We're going to take vote," he would announce. The purpose of the on-the-spot voting was to get an idea of what the group liked and disliked. Those works that drew a strong show

At the Davenport gallery, Davenport made an announcement that everyone found amusing at first. "What we need is more money," he said. Everyone chuckled. "I want you to think about how much more money you can give the museum by 1:30 this afternoon." People stopped laughing.

of hands were photographed by Scarbrough with a Polaroid camera for future reference.

The group was warmly greeted everywhere, except at the Mooye gallery in Soho, where Boone kept everyone waiting nearly half an hour. When she finally showed up she made no effort to sell anything. Pointing to a painting by Julian Schnabel, who has been publicized as the star of her stable, she sniffed, "You've read so much about him already, so I'm not going to talk about him."

"She wants to get rid of us fast, so I'm going to ask a lot of questions," Mrs. Davenport whispered to her husband in an annoyed tone.

By the second morning of the expedition, the group was getting bleary-eyed. Mrs. Robert Caldwell, the wife of an investment consultant, said with a sigh, "It's like picking out wallpaper. After the first book, it's all over."

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The group finished its gallery-hopping a little after 1 P.M. and went for lunch. While everyone else was relaxing over cocktails, a special committee of four was going through all the Polaroid pictures and narrowing the group's final selections to 29 works. The four were Ruth Holberg, chairman of the board of trustees, Davenport, Scarbrough and William Henning Jr., the Hunter's curator.

"The people of Chattanooga probably expect us to come back with something kooky,"

Davenport remarked. "They don't know what artists have been doing in the last 20 or 30 years."

When everyone sat down to eat, Davenport announced, "We have raised \$20,000 this morning, so we now have \$80,000 to spend." Within seconds, another \$5,000 was pledged.

"I've never been to a telethon before!" Davenport exclaimed.

He called for a vote to start eliminating works from consideration. To the surprise of everybody, the 14 pieces that were left after the first round came to \$34,960. There was something to please virtually every taste in art, from realism to the abstract to the downright playful. Most of the works were paintings, but there were also a few sculptures and collages.

The most expensive purchase was a colorful abstract painting by Jacob Lawrence called "The Apartment," which the group bought from the Davenport gallery for \$22,500. The group spent \$34,600 at Davenport, where its other purchases included "Girl With a Sheet," Sidney Goodman's portrait of a bare-backed woman (\$13,500), and "Homage to Magritte," a wood sculpture by Harold Tovish (\$9,000).

The complete list of purchases:

"The Apartment" by Jacob Lawrence. Gouache. \$22,500.

"Orange Lamp and Orange" by Janet Fish. Oil on canvas. \$16,200.

## TRAVEL

## Restaurants: Provence in the Fall

by Patricia Wells

**G**ORDES, France — The problem with Provence is that once you're here amid the tiny hilltop villages, the rolling acreage of vineyards and the colorful outdoor markets that seem to move en masse from town to town, day to day, you never want to leave. One is perhaps even more captivated by Provence in the fall, when the markets, vineyards and villages are pretty much turned back to the locals, and you can feel smug about the fact that your vacation's just begun while the rest of France is reinstalled in the office and the schoolyard.

The fact that summers in this part of France are long and consistently warm means that though the calendar says fall, the sky says summer, and one can profit well from the long, dry and breezy days. The grape harvest has already begun in the Côtes du Rhône region, and the outdoor market stalls are filled with the last of the perfumed Cavaillon melons and rosé Rhône Valley peaches, while the spicy, fragrant, *muscat de Hambourg* grapes are just beginning to reach their prime.

Dining here in the northern reaches of Provence this time of year is equally satisfying, especially if one is charmed by parasoled terraces and stunning, expansive views of the Rhône Valley. By large, wine lists in the region's restaurants provide a rare opportunity to sample older vintage Côtes du Rhône as well as well-known, lesser-known local wines at affordable prices. Unfortunately, in some instances the wine lists, setting and decor cushion the cuisine and the service.

One of the loveliest restaurants in the region is Les Bories, a tiny auberge with a crisp, intimate dining room and shady terrace for fine-weather dining. Installed beneath the fig and olive trees on a sunny afternoon, with a carafe of young, golden Châteauneuf-du-Pape, the dîner may decide there's nowhere else on earth he'd rather be.

The food is as well thought out and welcoming as the setting, with light, creative menu that offers fine fish selections, an assortment of meats grilled over a wood fire, and certainly one of the finest *tartes Tatin* in France. The attentive chef, Gabrielle Rousselet, also specializes in wild game dishes, offered here from Oct. 10 through the end of February.

The *salade folle* — a platter of crayfish, thin, cured slices of duck breast, fresh beans and greens — is a pleasant version of this popular nouvelle starter, and one that shows off the kitchen's deft touch. The *terbois aux poivrons rouges* — carefully poached turbot in a creamy sauce, topped with thick slices of roasted red

peppers — is also appealing, though served with a bit too much sauce. The grilled rack of lamb is as classic and correct as can be, served with an assortment of tomatoes, carrots, green beans and garlic. Sample the 1970 *Hermitage* from the house of Jaboulet to discover just how delicate and soft this full-bodied wine can be in maturity.

Service here can be slow and unresponsive, but then if you're in a rush you'd better not bother.

On the other side of the Rhône, in rosé country, the same careful kind of cooking is going on at L'Auberge de Tavel, opened in 1978 by a young Lyonnais couple, Bernard and Françoise Bonnevaux. Tavel is hardly the most exciting village in Provence, but when in the immediate area, L'Auberge de Tavel is worth a visit, especially for those who enjoy fresh fish. Chef Bonnevaux visits the Marseilles market three times each week to assure that what he serves in Tavel is fresh, and seems to take equal care with his meat and poultry. Best dishes here include the *cassoulet d'huiles de Bousigues aux pommes* (an unorthodox combination of lightly cooked oysters and poached apples); *goujons de Saint-Pierre sautées au basilic* (firm white John Dory brightened with fresh basil) and *caneton rôti au confit d'orange et miel* (roast duck served in two courses with two sauces).

Cheese and dessert courses are neither exciting nor remarkable, though the 85-franc menu (about \$12), with service included, offers travelers good food for the money. The decor here is a bit dreary, with a distracting selection of paintings on the walls, and service is pleasant though slow and amiable.

L'Auberge de Tavel, 30126 Tavel, tel: (66) 50.03.41. Closed Monday (except in July, August and September) and Feb. 1 to March 13. Credit cards: American Express, Diners Club and Visa. Menus at 85 and 134 francs, service included. A la carte, about 185 francs, including wine and service.

Domaine de Cabasse, in Séguet 10 kilometers southwest of Vaison-la-Romaine via D 88, 84110 Vaison-la-Romaine, tel: (90) 36.91.12. Open for dinner only, by reservation. Closed from Sept. 20 to March, except for the Christmas holidays. Table d'hôte menu, about 110 francs a person, wine and service included. Credit cards: Eurocard and Visa.

La Table du Comptoir, in Séguet 6 kilometers southwest of Vaison-la-Romaine via D 7, 84110 Vaison-la-Romaine, tel: (90) 36.91.49. Closed Tuesday evening and Wednesday (except in July, August and September), holidays, and mid-January to the end of February. Credit cards: Diners Club and Eurocard. Menus at 80, 120 and 200 francs. A la carte, about 200 francs a person, including wine and service.

## A Florida Hotel for Nudists Only

**L**AND O' LAKES, Fla. — Business at the United States' first nudist condominium-hotel is, as they say, outstripping expectations. "It's amazing the incredible response we've gotten," says James Lake, consultant to the Paradise Lakes Hotel near Tamiami. "We've had wall-to-wall bodies here."

Lake says the hotel, which occupies half of a 200-unit nudist condominium built last year, boasts about an 80 percent occupancy rate. The Land O' Lakes Chamber of Commerce confirms a worldwide interest in the hotel, which opened late last year.

The first 100 condominiums already have been sold, and Lake says a 97-unit second phase is under construction. The two-bedroom condominiums will sell for about \$42,000. The hotel offers a restaurant, cocktail lounge, maid service, swimming pool, tennis courts, volleyball courts, disco dancing, live orchestras and water skiing.

According to the American Sunbathing Association, which claims 25,000 nudists as members as well as 150 U.S. nudist parks, the Paradise Lakes is the first nudist condo-hotel complex in the United States.

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Loden-Frey Verkaufshaus GmbH & Co, Maffeistraße 7-9, 8000 München 1. Telefon 23693-0

## Clubs for Special Travelers

by James T. Venckel

**W**ASHINGTON — Ever wonder how many countries a traveler would have to visit until there was no place new to go? The Travelers' Century Club, a U.S. organization whose members must have stopped — if only briefly — in at least 100 countries, currently lists 309 international destinations that it regards as qualifying countries, island groups or other localities. (The United Nations, incidentally, has 157 member countries.)

To set foot in all 309 is to triumph in the game of one-upmanship. Anything the conversation turns to travel, you will always have been some place others have never seen. As far as anybody knows, a perfect score has not yet been achieved.

Some locations on the list are not actually countries in their own right, because they are removed from parent countries, either geographically, politically or ethnologically.

An example is Easter Island, which belongs to Chile but is more than a four-hour flight from the Chilean coast. An applicant for membership who has visited both gets credited for two destinations. The same goes for someone who has visited both Asian and European Turkey. A swing around Antarctica would net 11 credits for each of the nations claiming territory there. Alaska and Hawaii count separately from the continental 48 states.

Founded in 1954, the 800-member organization annually sponsors a group tour to a location off the standard tourist path — this year to

Micronesia. The initiation fee is \$25, with annual dues \$15. To qualify, a visit can be as short as an airplane refueling stop.

The club's purpose, though, is not to collect countries, explains its president, Greta Brown, associate vice president of California State University at Fullerton (120 states to his credit), but to promote international understanding through travel.

Nevertheless, some members do travel mainly to pick up new destinations. One deceased member, so club legend goes, made provisions in his will to have his ashes scattered in the places he had not reached while still alive. At the moment, says Brown, the most any live member has visited is 258.

Another organization that attracts the well-traveled is the Circumnavigators Club, an 850-member group based in New York. The primary qualification is to have circled the globe. When the club was founded in 1902, that might have earned you a one-upmanship prize, too, but in the age of jet travel, admits the club's administrative secretary, Helen Jost, an around-the-world trip has become fairly common.

Membership is made up chiefly of people in science, exploration and international affairs. Jost says. The club holds frequent dinner meetings for members and sponsors a travel scholarship for students in international relations. Initiation is \$25, with a \$75 annual fee. New members must be proposed by a current member, but the club can arrange introductions.

For more information on the Travelers' Century Club: 8033 Sunset Blvd. Suite 9, Los Angeles, Calif. 90046. For the Circumnavigators Club: 24 East 39th St., New York, N.Y. 10016.

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## International Datebook

## AUSTRIA

VIENNA, Karlskirche — Sept. 25: 26:

Ruth McGuire, organ. Margit Urbaetz, violin (Cordes Bach).

Konzertverein (tel: 72.12.11).

Sept. 29: Detlev Elsner piano (Bach, Schubert).

Sept. 30: Vienna Symphonie/Haydn Trio, Christoph Eschenbach conductor (Schubert, Beethoven).

©Musikverein (tel: 65.86.81).

Sept. 25: Vienna Philharmonic, Lorin Maazel conductor (Mahler).

Sept. 27: Counterpoint Ensemble, Peter Keuschung, conductor, Gerhard Tartschitsch oboe (Ravel, Robin).

Sept. 28-29: "La Bohème" (Puccini).

BALET — Sept. 27: "Romeo and Juliet" (Prokofiev).

Sept. 30: "The Barber of Seville" (Rossini).

## BELGIUM

BRUSSELS, Musées Royaux des Beaux-Arts (tel: 513.90.52) — To Oct. 31: "Magritte and Surrealism in Belgium."

©Palais des Beaux-Arts (tel: 512.50.45)

Sept. 25: Belgian National Orchestra, Ronald Zollman conductor, Malcolm Frager piano (Tchaikovsky, Prokofiev).

Sept. 27: "Ella Fitzgerald and Friends" (Fitzgerald).

Sept. 28: "Rigoletto" (Verdi).

Sept. 29: "The Barber of Seville" (Rossini).

## ENGLAND

LONDON, Aldwych Theatre (tel: 736.64.04)

MUSICAL — From Sept. 28: "Andy

GENESIS

ROYAL Academy of Arts (tel: 734.90.52) — To Oct. 31: "Contemporary Indian Art."

©Royal Albert Hall (tel: 589.82.12)

Sept. 27-30: Stanley Rous (tel: 528.31.91).

Sept. 25: Ella Fitzgerald and Friends/Count Basie and Orchestra/Oscar Peterson Trio.

Sept. 27: Philharmonia Orchestra, Vladimir Ashkenazy conductor, Lynn Harrell cello ( Walton, Mississipiany).

Sept. 30: London Symphony Orchestra, Claudio Abbado conductor, Isaac St. violin (Sibelius, Mahler).

©Teatro alla Scala (tel: 821.31.13).

To Nov. 7: "Howard Hodgkin's Indian Leaves."

To Nov. 15: "Watercolors and Drawings by Rossetti."

## FRANCE

PARIS, Casino de Paris (tel: 574.26.27)

Sept. 27: King Crimson.

To Oct. 24: Rome Opera Ballet —

"Faust/Satyr" (Satie).

Sept. 28: "Carmen/France/Côte d'Azur" Orchestra, Philippe Baudier conductor, Bernard Soustrot trumpet (Hamel, Mendelssohn).

Sept. 29: "Les Déserteurs" (Debussy).

Sept. 30: "Le Livre des Lumières" (Satie).

Sept. 28: Memphis Trio (tel: 53.51.41).

Sept. 29: Memphis Trio (tel: 53.51.41).

Sept. 30: Memphis Trio (tel: 53.51.41).

Sept. 28: "Romance Musical Painting of Picardy and Normandy."

©Palais des Congrès (tel: 758.27.78).

To Oct. 26: "Gauze Songs and Dance Ensemble" — "The Silk Road."

©Paris Opera (tel: 24.05.08) — Sept. 27,

Sept. 28: "Eugene Onegin" (Tchaikovsky).

BALET — Sept. 25, 29: "Les Sylphides" (Scheitzeck).

©Salle Gaveau (tel: 66.20.20).

Sept. 29: Jeanne Valéry piano (Prokofiev).

Sept. 30: Alice Ader piano (Chopin).

©Salle Pleyel (tel: 563.88.73).

Sept. 28: Oscar Peterson Trio/Joe Pass.

Sept. 29: Ella Fitzgerald.

©Théâtre des Champs-Elysées (tel: 727.97.27).

Sept. 31: "Romance Musical Painting of Picardy and Normandy."

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## TRAVEL

## Portugal's 'Pleasant Inns'

by Paul Lewis

**E**VORA, Portugal — The white-walled city of Evora beckons invitingly from the summit of the little hill it crowns at the end of a hot day's drive across the sun-baked plains of the Alentejo, the expanse of flat land south of Lisbon. The Alentejo is often called Portugal's backborders because of its immense dusty corridoids dotted with shady cork groves and the ruins of castles that once guarded its eastern border with Spain.

The prospect of a night's rest at Evora, the administrative capital of the Alentejo and widely regarded as among the best-preserved 12th-century Portuguese cities, became more attractive if the traveler has a reservation at the Pousada dos Lóios. This establishment is one of the most attractive and historic of the 25 such government-run inns to be found all over the country, often in truly spectacular locations. The inns combine relatively low prices with a high standard of comfort and convenience.

Portugal's *pousadas* — literally "pleasant inns" — are modeled on the better-known *pousadas* of Spain, which the Franco government hoped — in vain; it now seems — would reduce regional frictions by encouraging Spaniards to travel around the country and get to understand each other's ways. Whether the government of the late António de Oliveira Salazar, which established the first Portuguese *pousadas*, also hoped these inns would have a soothing effect on the population, I have never been able to discover. In any case, Portuguese *pousadas* must be judged among the best tourist bargains in a country that is itself a bargain.

I have enjoyed staying in many *pousadas*, or just visiting them for a good meal. Few tourists will easily forget the dizzy drive up the Serra da Estrela mountains in central Portugal, near the Guarda frontier crossing into Spain, to reach the Pousada São Lourenço, perched on a craggy peak with spectacular views and the atmosphere of an Alpine ski chalet.

No less memorable is the Pousada do Infante on the high, windy cliffs at Sagres on the country's extreme southwest tip, where Henry the Navigator founded the famous navigation school that sent Portuguese sailors off to discover Brazil and explore the west coast of Africa. Also not to be forgotten is the *pousada* on the Ilha das Berlengas — a converted fort standing on a rocky outcrop in the Atlantic at Cape Carvoeiro, some 50 miles north of Lisbon.

Yet the Pousada dos Lóios remains my favorite over many of the country's more spectacularly sited "pleasant inns," because it brings the visitor face-to-face with a national paradox.

Staying there and visiting Evora offers a chance to sample the flavor of one of Portugal's most ancient cities, once a celebrated seat of Western learning and the site of many great events in the country's history. Yet the spirit of the Pousada dos Lóios and the town around it seem unaffected by the nation's extraordinarily long imperial age, during which it not only founded a great empire but also managed to hold onto its vast colonies in Africa and the Far East long after the Spanish Empire had disappeared.

Evora is small-scale, delicate and pretty — never grandiose or brooding. The body of empire is strangely absent. In this sense it typifies the way in which Portugal's architecture, along with its people, constantly belies its history and achievements.

Once past the city's crenellated wall, follow

with vaulted ceilings, worn stone floors and stout pillars, which have been decorated with colorful handwoven rugs of the region, comfortable armchairs and antique chests and tables. The overall impression is more of a small castle than a monastery. A broad marble staircase leads up to the bedrooms, many of them old monk's cells, reached through a low private door with a peephole. All have bathrooms and are comfortably though simply furnished with hand-crafted chestnut furniture.

The bar downstairs is an old chapel decked out with red velvet sofas and chairs and a big brass still once used by the monks for making spirits. Today the stock of wines and spirits is displayed behind the ornate grill that once hid the altar. Another example of the sacred made secular with good effect is the old cloister, running round four sides of a big internal courtyard. This has been glassed in to provide the *pousada* with an elegant dining room, overlooking the small garden and fountain in the middle.

In one corner of this cloister-dining room an imposing carved stone doorway leads into the old chapter house, now a lounge. Twisted folds of carved stone cloth cascade down from a Moorish helmet over the arch to form two ornate pillars on each side of the door. For centuries Evora, like the rest of the Alentejo, was under Moroccan rule; and this doorway shows how Moorish art came to influence the highly ornate Manueline architectural style popular in 15th- and 16th-century Portugal.

The Pousada dos Lóios, like all *pousadas*, maintains a high standard of cooking, based on local cuisine. One night I dined on a rich vegetable soup, heavily flavored with garlic and typical of the Alentejo. This was followed by a white fish in a spicy sauce and roast turkey with a vegetable stuffing. For dessert there were marzipan cakes, another local specialty, while I drank — and recommend — the heavy red wine from the nearby village of Borba.

The Pousada dos Lóios stands at the summit of a hill town that almost became the country's capital. Medieval kings of Portugal sometimes lived there and in 1240 Alfonso IV began from Evora the final campaign to drive the Moors from the Alentejo.

Yet today Evora is still the small sparkling-white town it was in the 17th and 18th centuries. Behind the *pousada* stands the gray granite cathedral with its distinctive beehive-shaped tower. Though built in the Romanesque period, it is also described as the country's first Gothic church because of its 14th-century cloister. Around the temple of Diana are arranged palaces and convents with pastel-colored facades edged in marble, as well as the city museum, full of art and sculpture from the days when Evora was a center of fashion, culture and power.

From the square, the narrow cobbled streets with pavement decorated in patterns of black and white marble chips cascade down under arches into small sunny plazas with splashing fountains. Visit the old Royal Palace with its mixture of Arab and Renaissance architectural styles, and the nearby Church of São Francisco with its massive Capela dos Ossos — a chapel whose walls and roof are covered with the bones of some 5,000 monks. A poem at the door asks the visitor: "Where are you off to so fast? No business is more important than the one you see presented here."

If you are thinking of visiting Portugal's *pousadas*, a word of warning: Try to get firm reservations in advance. This is partly because all the *pousadas* are very small, usually with no more than 20 rooms, but also because it is often impossible

to telephone in advance for reservations once you are in Portugal. The national telephone system doesn't work well. The Portuguese Tourist Office nearest your home can give you information.

The cost of a night's stay varies both with the season and with the category of *pousada*. There are three categories; Pousada dos Lóios is in category C, the most expensive, along with four other *pousadas*, all of which are also historic buildings in their own right, such as castles or monasteries. In the high season, April through September, a night in a double room with Continental breakfast costs \$3.350 escudos or \$58 at the current rate. From October through December, the same room costs \$29; rates from January through March have not yet been established. Pousadas in category B, the cheapest, charge \$13 for a double from April through September and \$18 from October through December.

The public rooms are all medieval chambers

the faded blue and yellow signs that say "Pousada" up narrow winding streets to the big square at the top of the hill. At the square are the ruins of an ancient Roman temple dedicated to the goddess Diana, which are the best-preserved remnants of the Roman occupation.

The Pousada dos Lóios is situated on the square, a low white building edged in brown stone, with carved stone window frames and a colonnaded portico. It was founded in 1491 as a monastery but long ago fell into disuse. About 200 years ago a *pousada* and today it offers a sense of sumptuousness tinged with austerity that is in keeping with its history.

Guests are greeted by an English-speaking manager at the reception office just inside the main door. Though the Pousada dos Lóios is one of the biggest in Portugal, it has only 28 rooms. Reservations are essential in summer and advisable for other seasons.

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# Geneva's Supermarket for Sorcerers

by Mavis Guinard

**G**EVEVA — Only a few toad hops from the lakefront here, a sorcerer's apprentice can stock up on time-tried accessories, the latest space-age gadgets and manuals for black — or white — magic.

La Mandragore, on the Rue Monthoux, is named for the mandrake plant whose poisonous flower and humanoid root were a standby of witches' cookery. The store is not a den hung with spiderwebs and full of bubbling retorts, but a Swiss-tidy bookshop where the standard works of witchcraft line the shelves.

The selection is eclectic. Subjects range from astrology to voodoo, starting with natural medicine, self-help and yoga, they veer into paranormal science, ancient predictions, Chinese horoscopes and spiritualism. One fat tome in much demand is a log of every position of the planets for half a century "computerized by NASA scientists."

Other best sellers are small but pricey editions of ancient French texts. The subtitle of "La Poule Noire" guarantees that it will reveal to its reader every treasure in the earth. Alongside are the obscure 8th-century prophecies of Pope Honorius and the alchemist's pocket encyclopedia, "Le Petit Albert."

Despite their esoteric bent, Jean-Pierre Dorzaz and his wife do not look like the couple in a Charles Addams cartoon. Dorzaz is tall and rather reserved. Neither his graying beard nor his ears are pointed. He wears a pinstripe suit and — for a Genevese — a very loud tie. Marie-Louise Dorzaz is small, round and tireless in enthusiastic explanations of the gimmicks in the store: crystal-gazing balls, pendulums, copper bracelets and magic herbs.

She particularly recommends the silver rings with hieroglyphs to ward off the evil eye. Both she and her husband wear them. "Just as the ceramic original saved its discoverer from the curse of Tutankhamen, the copies shield from bad luck, spells, neuroses and any other astral fallout," she confides. "There are weird influences. We cannot keep a flower alive in here. A rose wilts on the spot." She points to a spindly palm in the wide shop window. "That's all I can grow." Strangely, it has not occurred to her to play a record on sale here: "Music for Plants."

The Dorzazes have always sold books. His interest in the supernatural led them five years ago into this field. "Nowadays, one must specialize," he says with a smile. His wife adds: "So many come to us for help. After the books, we had to have the things they mentioned. I take it very seriously. I only buy from the most reliable sources — in France, in Italy, never

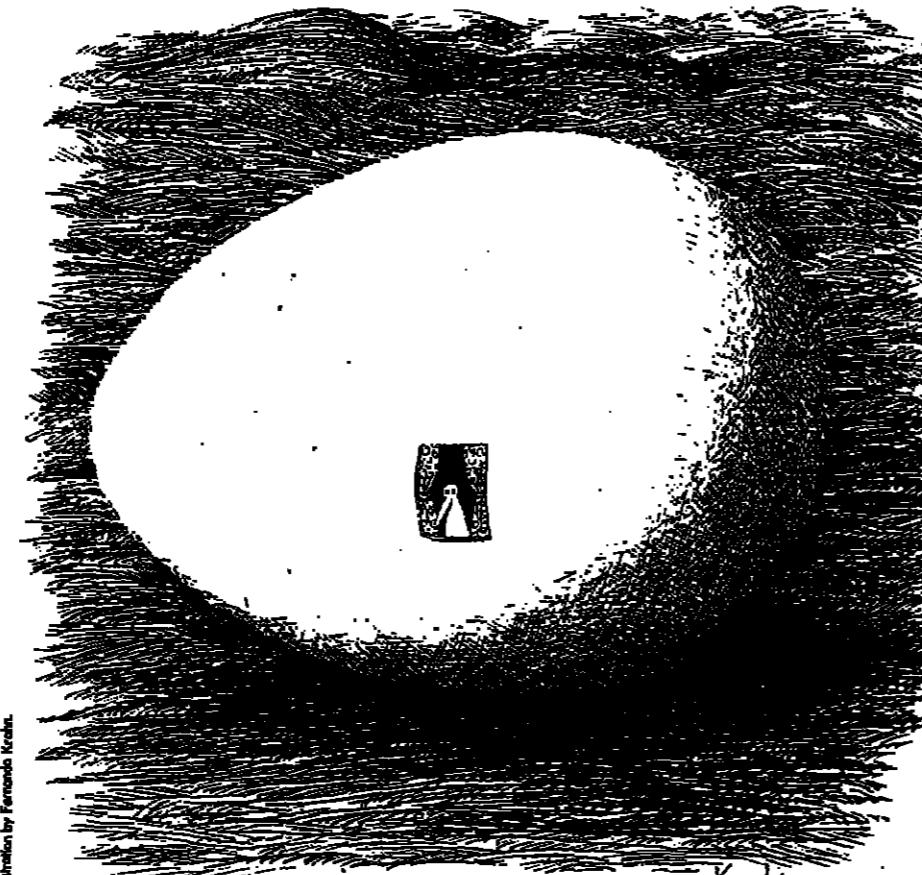


Illustration by Georges Kroll.

from the Far East. I only sell things that work." She picks up a dowsing rod. "Take this, for instance. My clients come back to tell me they have found all sorts of things they lost. Even jewels." Dorzaz nods. "It takes faith."

Present-day witches need not even invest in a cauldron or soil their hands. There are now pre-packaged mixes for almost every purpose. Just toss a pinch onto a burning coal (La Mandragore also has small packages of charcoal) and take a whiff. Success is insured in love or business.

The Dorzazes are doing nicely themselves and, thanks to the proximity of United Nations agencies, have built up a faithful international clientele. La Mandragore's mail-order catalogs list hundreds of items: electronic detectors, oscillators, magnets, magical stones, joss-sticks, perfumes for every sign of the zodiac, votive candles, invocations, amulets, pentacles, Tarot cards and pictures of the planets.

For the novice, there is a cabalistic do-it-

yourself kit to summon the 72 genii. With instructions, 210 Swiss francs (about \$100).

Or a high shelf in back of the shop, there are some wax dolls that Mrs. Dorzaz particularly dislikes. They look no more menacing than candy Easter bunnies in their cellophane wrap, which is there not to keep off the dust, but to "hold in" power concentrated in a Roman temple of Higher Magic." The dolls are destined for evil spells. The hardest part is to get hold of a hair or a cigarette butt from an enemy. The rest is simple: insert the object in a special hole at the base of the wax figure, light the wick and wish intensely. The victim will shortly break a limb or lose all his teeth as desired, unless he has protected himself with some of the Dorzazes' powders for counter-enchamments.

Geneva once was far less tolerant. Its last witch was burned not far from here, on April 6, 1652.

Krahn

## Dow Jones Averages

Open	High	Low	Close	Chg.	Chg. %	CPO	CPO %
50.50	51.00	50.50	51.00	0.50	+1.0%	51.00	+1.0%
114.50	117.50	114.50	117.50	3.00	+2.6%	117.50	+2.6%
380.50	382.50	380.50	382.50	2.00	+0.5%	382.50	+0.5%

15 JULY 1982

## BUSINESS PEOPLE

## Pirelli Reorganizing Its Management

The Pirelli group is reorganizing its international senior management in response to "market demand" and "economic circumstances," a spokesman says.

"Cables are becoming an increasingly large part of the Pirelli group," he said, and changes must be made to reflect their growing importance to the company, which had its beginnings in tire manufacturing. Cables "of every kind" — including telecommunications and power — account for 45 percent of the Milan-based company's sales, he said. Tires are in second place with 42 percent, in part because the economic slump has slowed auto sales.

As part of Pirelli's restructuring, J.D. Carr will step down as managing director of Pirelli Ltd., the London-based unit. Mr. Carr, 55, who has held the post for the past four years, will continue to serve on Pirelli's board and as chairman of Materials Purchasing Ltd., a new London-based subsidiary.

The company moved M. Moro into Mr. Carr's position. Mr. Moro, 46, was managing director of Pirelli Hellas S.A., a subsidiary in Athens.

The spokesman suggested that other Pirelli units are also likely to undergo restructuring in the next 18 months.

## Nalco Appoints President for Europe

Nalco Chemical Co. has named Sergio Del Grande president of its European operations. Based in Paris, he succeeds Adriano Cossi, who plans to retire. Mr. Del Grande previously served as the specialty chemical concern's vice president, responsible for southern European operations.

In addition, Aurelio Massini was named a vice president for European operations. He previously was general manager of Nalco's Italian unit in Rome. Named vice president of research was Enzo Sessa, who previously was Nalco's research manager in Frankfurt.

The Oak Brook, Ill.-based chemical company's 1981 sales of \$666.6 million were up 8 percent from 1980, while earnings increased 12 percent to \$81.2 million. Nalco's 1981 annual report said international division sales were hurt "by the slow economies," particularly in Europe, where 1981 sales fell 7 percent to \$97 million and earnings 38 percent to \$7.9 million.

## Other Appointments

Peter M. Zuber has been named manager of the London office of Bache Halsey Stuart Shields Inc. He succeeds Will Cawdron, who was transferred to Bache's New York office as head of the international division. Mr. Zuber formerly was a vice president with Dean Witter Reynolds in San Francisco.

Johnson & Johnson, a New Brunswick, N.J.-based maker of health care products, has named Giorgio Petrosio a group chairman. He will be responsible for the company's units in India, Indonesia, Pakistan and the Philippines and Thailand. He will also be in charge of business development in the China.

G. Kenneth Oberhauser has been appointed director, finance, of Monsanto Co. at its Europe-Africa area headquarters in Brussels. He succeeds F.E. Rehing, who was transferred to the chemical company's St. Louis head office as general manager, intermediates, of the new fibers and intermediates unit. Mr. Oberhauser previously was controller of Monsanto's textiles unit in St. Louis.

Yves Lombard has been appointed a manager of Girard Zurich AG, a subsidiary of Girard Bank of Philadelphia. Mr. Lombard, who is in the bank's investment management department, formerly was managing director of ACLI Commodity Services (Zurich) AG.

Yasuda Trust & Banking Co. has opened a representative office in Manama, Bahrain, headed by Akifumi Ito. Mr. Ito previously was in the bank's international department in the Tokyo head office.

John McLean has been appointed chief manager of Midland Bank's Singapore branch and managing director of its subsidiary, Midland Bank (Singapore). He succeeds Peter White, who is returning to Midland Bank International in London. Tony Redman has been named senior executive loan syndication department, at Midland Bank International in London succeeding Mr. McLean. In addition, Michael Wade has been appointed senior executive, Asian and Pacific region, at Midland Bank International, succeeding John Brown, who has retired.

Chain Ltd., London, named Tim Coles managing director, succeeding Jacques Leal, who will continue as chairman. Mr. Coles previously was chairman and chief executive officer of the advertising agency of Young & Rubicam.

Banca Trust Co. of New York has appointed Donald B. Clark as head of the foreign department's London division. Mr. Clark previously was in Hong Kong as head of the bank's international investment management group for the Asia-Pacific region.

Fiat Auto (U.K.) Ltd., London, has appointed Pietro Quaglia managing director, succeeding Giacomo Loserio, who returns to the automaker's head office in Turin. Mr. Quaglia previously was vice president of Fiat USA Inc. in Chicago, where he was in charge of the farm machinery division.

Bernard Sackwinsky has been appointed vice president, research and operations technology, at Alcan Aluminum Ltd. in Montreal and president of its Alcan International Ltd. unit. Succeeding him as vice president, Europe, for Alcan Aluminum Ltd. is Patrick J. Rich, who is president of Alcan Aluminum Europe S.A. in Geneva.

Steve Stetnick, formerly a general manager with Scandinavian Bank in London, has joined Nordic Investment Bank in Helsinki as a senior vice president and member of the executive committee. He succeeds Peter Stenner, who has joined Hamburgs Bank in London as a director.

Elected to the board of A.G. Becker-Warburg Panbras Becker Inc. was Jean-Yves Hebecker, chairman of the Panbras group.

Hajime James Takano, who previously was with the international finance center in Bank of Tokyo Ltd.'s London branch, has been transferred to the bank's securities and debentures division in the Tokyo head office.

— BRENDA HAGERTY

## Dome Considering Rescue Plan From Banks

Compiled by Our Staff From Dispatches

CALGARY — Dome Petroleum Ltd. announced Thursday that it was considering a proposal by a bank consortium and the Canadian government that would provide it with fresh capital and reschedule

payments on Dome's \$7.4 billion in debt.

Dome said 50 percent of the capital would be put up by the federal government and the remainder by four banks — the Bank of Montreal, Canadian Imperial Bank of Commerce, Royal Bank of Canada and Toronto-Dominion Bank.

Directors' Action

In a prepared statement, Dome did not say how much new capital was involved in the proposal.

The company said it would announce its directors' decision when Dome has had an opportunity to analyze fully the proposal and when negotiations with the four banks and the government have been concluded.

"If accepted by Dome, implementation of the proposal would be subject to the obtaining of necessary consents and approvals, the concurrence of other parties and the negotiation and execution of definitive documentation," Dome said.

Dome said the proposal was aimed at helping it overcome "current cash-flow problems while contributing to the long-term growth and active participation of the company in Canada's energy future." The proposal also would result in a significant increase in the degree of Canadian ownership of Dome.

The company statement came more than three hours after it had thrown financial circles into a flurry of speculation by requesting a halt in trading of its stock on the

## Allied's Chief Is Accustomed To All Sorts of Companies

By Barnaby J. Feder  
New York Times Service

NEW YORK — If Edward L. Hennessy Jr., chairman and chief executive officer of Allied Corp., did not believe a good executive can run any type of company, he would certainly have to be nervous about the future of Allied as it attempts to merge with Bendix Corp.

Allied's agreement with Bendix could leave Mr. Hennessy running a far different company from the one he heads today. Allied is a one-time chemical company that has expanded under Mr. Hennessy's direction into oil and gas, electrical and scientific products, and electronics. Bendix is a major supplier of auto parts, machine tools and aerospace systems. If all goes as planned, Bendix will become Allied's charge even as Bendix struggles to swallow a still larger aerospace company, Martin Marietta Corp.

Analysts note that the companies' businesses overlap at numerous points, but no one is calling the proposed merger a close fit. That is not likely to daunt an executive whose successful journey from the accounting ranks at Price Waterhouse to the top at Allied has included brushes with everything from fried chicken to elevators.

"It's the sort of thing you have to expect from Ed Hennessy," said R. Shaw Bridges, an analyst who follows Allied for F. Eberstadt & Co. "You're not surprised."

A Boston native whose father, a lumber salesman, has worked for seven diverse companies during his career, mostly in financial jobs. Along the way, he established a reputation for understanding the art of redeploying corporate assets and for decisiveness. That reputation attracted the attention of the Allied search team, which lured him away from United Technologies Corp. in 1979.

He quickly lived up to that reputation by directing Allied's purchase of Eltra Corp., a leading battery maker, for \$592 million. Subsequently, Allied pared unprofitable coal and chemical properties, expanded its presence in the oil and gas business and embarked on acquisitions of such diverse concerns as Bunker Ramo Corp., an electronics company, and Fisher Scientific, which makes laboratory supplies and instruments.

There's no telling whether Allied's proclivity for buying businesses will abate if the Bendix deal goes through, but it is bound to bring a new wave of suggestions from industry analysts that it is time for Allied to concentrate on digesting what it has already bought. Such suggestions have been circulating for some time with no apparent impact.

"It's opportunistic, but not necessarily a good deal for the shareholders," said Leonard Bogner, an analyst at Bache Halsey Stuart Shields. "Every acquisition

(Continued on Page 13, Col. 4)



Edward L. Hennessy Jr.

## Allied Hesitates As Marietta Buys 44% Bendix Stake

Compiled by Our Staff From Dispatches

NEW YORK — Allied Corp., which agreed Wednesday to rescue Bendix from the threat of being taken over by Martin Marietta, appears Thursday to be having second thoughts.

Marietta said early Thursday that it had bought about 44 percent of Bendix's shares and would try to gain a 50-percent stake. That would leave both companies claiming control of the other. Bendix raised its stake in Marietta to 70 percent earlier this week but has been unable to take control of the smaller aerospace concern.

A few hours after Marietta announced its purchase, Bendix said it had opened talks with both Bendix and Marietta, apparently in an attempt to sort out the convoluted takeover battle.

Some Wall Street analysts said Marietta might trade its newly acquired Bendix shares for independence and the Marietta shares now in Bendix hands. Under such an arrangement, Bendix might end up as a wholly owned subsidiary of Allied.

Despite the new peace talks, however, many analysts continued to predict that the fight would have to be settled in court. "This is the most incredible battle of egos I think I've ever seen," said Greg Smith, an analyst at the investment firm of E.F. Hutton & Co. Inc. "My hunch, it winds up in court."

Under the agreement announced late Wednesday, Allied would swallow a Bendix that had already swallowed most of Marietta. The oil and chemical company would pay \$1.9 billion for Bendix and then pay about \$400 million for the 30 percent of Marietta that Bendix does not already own. But Allied announced early Thursday that its offer would not begin that day as scheduled, prompting speculation that the conglomerate might be seeking another type of settlement.

Marietta's purchase of Bendix shares early Thursday may have added to the urgency of peace talks by further muddying the situation. The Maryland-based company took its bite out after Bendix's last-minute legal arguments Wednesday evening failed to convince U.S. judges to block Marietta's bid.

An Allied spokeswoman said

her company put its tender offer for Bendix on hold in light of Marietta's purchase. She said that Edward L. Hennessy Jr., Allied's chairman, had met late Wednesday evening with Marietta officials. "I don't know what the results of the meeting were," she said, adding that she could not disclose the purpose of the talks. New discussions with Bendix were re-opened Thursday, the spokeswoman said.

Although Bendix controls a majority of Marietta's stock and Marietta owns enough Bendix stock to claim a controlling interest, neither company has been able to oust the other's board. A dispute over that matter has been entangled in the courts for days.

Almost overshadowed in the flurry of announcements Wednesday night was an announcement from Bendix that four of its directors had resigned. Bendix said the four wrote in a letter of resignation that it had become "difficult for us to function effectively." No further explanation was given by Bendix.

The four who resigned are Donald H. Rumsfeld, president of G.D. Searle & Co.; William T. Wallace, president of Mobil Corp.; Wilbur J. Cohen, a professor of public affairs at the University of Texas; and Hugh E.R. Uterhoeven, a professor of business administration at the Harvard Business School. The resignations left 10 directors on the Bendix board.

Marietta said it bought the 10 million Bendix shares for \$75 a share, or a total of \$750 million, shortly after midnight Wednesday. That was the deadline for Bendix shareholders to withdraw any shares they earlier had submitted to Marietta for payment.

Marietta also said it would buy as many as 1.9 million more shares, if they are offered by Bendix shareholders, until Marietta's tender offer expires at midnight Sept. 28.

William Harwood, director of public relations for Marietta, said early Thursday that "there's every indication" the additional 1.9 million shares would be offered by Bendix holders.

Marietta did not say how it planned to buy the additional Bendix stock, but Rents quoted some analysts as saying Marietta

(Continued on Page 13, Col. 1)

## U.S. Consumer Prices Increase 0.3%

Compiled by Our Staff From Dispatches

WASHINGTON — A decline in food and gasoline prices kept U.S. consumer price inflation at 0.3 percent in August, an annual rate of 3.3 percent and the smallest increase in four months, the government said Thursday.

Prices moderated across the board, except for medical care, the only component in the Labor Department's Consumer Price Index that has risen substantially every month this year.

Largely responsible for August's small increase were a 0.1 percent decline in gasoline prices and a 0.3 percent drop in food costs.

The Consumer Price Index for August, before seasonal adjustment, was 292.8, which means that goods that cost \$100 in 1967 cost \$292.80 in August.

## Prices on Wall Street Lower in Profit-Taking

Compiled by Our Staff From Dispatches

NEW YORK — Prices on the New York Stock Exchange closed only slightly lower Thursday after an upturn in the credit markets sparked a late stock market rally.

The Dow Jones industrial average dropped almost nine points during the day but turned around in the last hour to finish off 1.75 at 925.86. Declines led advances by about four to three, and volume fell to 68.3 million shares from 70.1 million traded Wednesday.

Analysts said the bond market took on a better tone with the completion Thursday of the week's Treasury note auctions.

Bonds were also boosted by slight declines in several short-term interest rates. Stock prices have been moving in tandem with the interest rate-sensitive bond market all week.

Monte Gordan of Dreyfus Corp. said the market is having difficulty holding above the 930 level on the Dow average and becomes particularly sensitive to fluctuations in interest rates when it gets near that level.

Analysts said the market was under pressure from several forecasts of continuing weakness in the economy, including one by influential Salomon Brothers economist Henry Kaufman, who said economic growth will be subnormal for the next 12 months.

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Woolworth was also active and rose 1/2 to 234.

## Markets Closed

All financial markets in Japan were closed Thursday for a national holiday.

In a television interview, Mr. Regan predicted a slower recovery than had been envisioned and said that rate had steadied for the rest of the year, the overall increase would be the smallest since the 4.8 percent rise of 1976.

Inflation was 8.9 percent in 1981 and 12.4 percent in 1980.

This year's improved inflation forecast is largely the result of the stubborn recession, which has lingered longer than most economists expected.

Treasury Secretary Donald T. Regan, saying that the recession turned out to be "much deeper than any forecaster had imagined it would go," admitted Thursday that the Reagan administration probably will lower its forecasts on next year's economic recovery.

"I think by the time we come out with the official administration forecast there'll be a molding between his views and mine," said Mr. Regan. "One or the other of us will have to give in."

Asked who it would be, Mr. Regan replied, "I think the administration forecast probably will be [a shade] lower. I think that what's happened is the economy is recovering at a much slower fashion than normal for recoveries in the post-World War II era. So as a result, we probably will lower our sights."

The main economic indicators of the past four months, he said, have been encouraging and, "I would say that at this moment

we've entered the recovery phase of the economy."

His advice to the millions out of work and businesses on the edge of bankruptcy was "hang in there" because unemployment — which "unfortunately is not a statistic" — increases later in a recovery than other economic signs because it takes factories time to gear up for higher production.

"I think by the end of the year rehiring should begin," said Mr. Regan.

Henry Kaufman, the influential and pessimistic chief economist at Salomon Brothers, agreed with Mr. Regan that the overall economy would benefit from lower inflation, which he forecast at 5 percent to 6 percent in 1983.

But he said this would not do much to help corporate finances and added that he did not see much room for growth either in corporate or consumer spending.

He said that increasing layoffs and high unemployment would restrain consumer spending, while the inability of corporations to raise their prices would keep their capital



## BUSINESS BRIEFS

## First Direct Broadcast License Set

WASHINGTON — The Federal Communications Commission Thursday granted the first direct broadcast satellite license to Satellite Television Corp., a subsidiary of Communications Satellite Corp.

The decision means Satellite Television can proceed with construction of facilities to begin offering direct broadcast services, including television programming beamed directly to individual homes equipped with special satellite antennas.

The first direct broadcast satellite service is not expected to be ready until 1986-87. The Comsat subsidiary was the first company to submit an application to offer the new television service, and the commission is expected to act on the applications of eight other companies within the next few weeks.

## AT&amp;T Unit, Philips Holding Talks

BASKING RIDGE, N.J. — American Telephone & Telegraph said Wednesday its AT&T International unit is negotiating with Philips about a joint telecommunications venture in Europe.

An AT&T spokeswoman said that the negotiations concern a cooperative agreement regarding a digital switching system for public networks. Digital switching is a highly reliable and efficient way for users to make telephone calls through a central office.

AT&T International has developed a digital switching system and Philips has been developing similar technology, she said.

## Rusco Claims \$2.7 Million Owed

LOS ANGELES — An internal audit committee of Rusco Industries has recommended that its former chief executive, Jack M. Caton Jr., be required to pay Rusco \$2.7 million that the committee claims he cost the company through a series of insider transactions, Rusco has said.

Mr. Caton's lawyer said Wednesday his client disputes "each and every" allegation in the committee's report. Mr. Caton has 90 days from the filing of the audit committee's report to challenge it.

In July 1980, Mr. Caton resigned as chairman, president and chief executive of Rusco, a window and door manufacturer, under a consent settlement of fraud charges that he had used Rusco money for his own benefit.

## Mellon to Buy Bank in Houston

NEW YORK — Mellon National Corp., a Pittsburgh bank holding company, has announced that it had agreed to acquire Mortgage and Trust Inc., a Houston-based, privately held mortgage banking concern, for about \$35 million.

Mellon said Wednesday that about the half of the cost of the acquisition would be in cash and the remainder in floating-rate notes. The merger, approved by the boards of both companies, is subject to approval by the Federal Reserve Board.

The Pittsburgh bank holding company said its decision to acquire Mortgage and Trust was based on its "compatibility with Mellon's long-term mortgage banking objectives."

Compiled From Agency Dispatches

## How a Takeover Bid Got Messy

The Associated Press

Here is a chronology of the major developments in the takeover fight involving Bendix, Martin Marietta, United Technologies and Allied:

• Aug. 25: Bendix announces a two-step takeover bid for Martin Marietta in which it would pay \$43 a share in cash for about 45 percent of Marietta's stock and exchange securities for the rest. The proposed transaction is valued at \$1.5 billion.

• Aug. 31: Martin Marietta goes on the offensive and announces a bid to buy Bendix. It offers \$75 a share for about half of Bendix and securities for the rest, making the total package worth about \$1.5 billion. Bendix turns down the offer as inadequate.

• Sept. 2: Bendix sues Marietta in federal court in New York for violation of securities laws.

• Sept. 7: United Technologies announces that it has agreed to enter the fight on Marietta's side. United Technologies says it will start a \$75-a-share tender offer for Bendix and agrees with Marietta to divide the assets of Bendix if either bidder wins control.

• Sept. 7: Bendix increases its tender offer to \$45 a share and says it will attempt to buy 55 percent of Marietta's stock, up from the original

45 percent. The new value of the proposed transaction is about \$1.7 billion.

• Sept. 15: United Technologies makes a peace initiative to Bendix, saying it would be willing to pay \$85 a share for Bendix stock if Bendix would not contest the merger. Bendix quickly rejects that proposal.

• Sept. 17: Bendix buys 70 percent of Marietta's stock under terms of its offer and demands that Marietta's directors resign. It also demands that Marietta hold a shareholders meeting so Bendix can put its own people on the Marietta board. Marietta refuses.

• Sept. 21: Bendix executives open peace talks with Marietta in hopes of ending the battle, but the talks break off without an agreement.

• Sept. 22: Marietta wins court clearance to proceed with its purchase of Bendix shares. Allied steps in and says it has agreed to buy Bendix and will attempt to acquire Marietta as well. Allied says the combined price would be about \$2.3 billion. Marietta vows to go on with its purchase of Bendix.

• Sept. 23: Marietta buys 10 million, or about 44 percent, of Bendix's shares for \$750 million and says it will attempt to buy enough additional shares to give it a 50-percent stake.

## Allied Hesitates as Marietta Moves

(Continued from Page 11)

may already have lined up the additional purchases.

Though Allied has offered to buy 55 percent of Bendix at \$85 a share, analysts said the initial part of Marietta's offer, at \$75, might be attractive to some investors.

One analyst said Marietta presumably would be paying cash on delivery. "You don't have to wait," he said, adding: "With Allied's deal, you have to tender and wait, and you may not get the money."

## VW and Fiat Report Rise In Earnings

Compiled by Our Staff From Dispatches

WOLFSBURG, West Germany

Both Volkswagen and Fiat reported improvements in consolidated earnings Thursday, but Volkswagen cautioned that it did not see any upturn in the European auto industry before the second quarter of next year.

Volkswagen reported that group net profit rose in the first half to 63 million Deutsche marks (\$25.2 million) on sales of 20.02 billion DM. In the first half of 1981, the group earned 15 million DM on sales of 19.1 billion DM.

Fiat, meanwhile, reported a group profit for 1981 of 90.1 billion lire (\$64 million), versus a loss of 240 billion lire the year before. It did not give sales figures. Fiat added that in the first half of 1982 consolidated sales rose to 19.7 billion lire from 16.6 billion lire in the first half of 1981. It did not offer a report on earnings but said that except for profit all of 1982 to be about the same as 1981.

Volkswagen said it regards developments in the automobile market in the first half of 1982 with great concern and cannot see a recovery even in the first quarter of 1983. The company said the economic pickup expected in the first six months of this year had not materialized.

Export markets, previously the main pillar of the West German auto industry, showed weakness at midyear, it added in a letter to shareholders.

Volkswagen said that the weakness of European economies became increasingly noticeable and that the North American market was in an extremely poor state.

Potential customers for smaller cars are reacting to the current economic situation with caution, it said.

Fiat said that in the first six months of 1982, demand for all types of vehicles was stagnant.

## Japan VTR Firms Feeling a Squeeze

By Eliot Taylor

TOKYO — Slower sales growth is forcing Japanese makers of videotape recorders to cut prices.

Masaru Nishizawa, electronics industry analyst with the research division of Nikko Securities, a major Japanese brokerage firm, said, "The market is facing a situation of oversupply and the key factor now in resolving this is price."

Japan's 10 videotape recorder makers — led by Matsushita (Panasonic and National brands), Victor of Japan (JVC) and Sony — dominate the world market, accounting for 95 percent of sales.

But analysts said that the boom years that began in the 1970s when production at least doubled annually appear to be over and that the current glut could reduce the number of manufacturers.

Videotape recorder production — described by Sumio Sano, Sony general manager, as the driving force of the Japanese electronics industry — last year rose 114 percent from 1980 to 9.5 million.

This year production will show a significantly smaller rise of 31 percent to 12.45 million, according to the industry umbrella group, the Electronics Industries Association of Japan, and a lot will be left unsold.

Analysts said slackening demand because of the recession, and rising inventories are encouraging manufacturers to cut prices and accept lower profit margins.

Sony, which derives more than 40 percent of its total revenue from video equipment sales, reported this week that price competition was a significant factor in a 14.7 percent drop in earnings to 43.34 billion yen (\$163.68 million) in the nine months ended July 31.

Revenue from video equipment rose 42 percent from a year earlier but price competition intensified and put pressure on operating margins, Mr. Sano said.

Charles Edmond, Tokyo representative for the London brokerage firm of Hoare Govett, said price is taking over from product differentiation as the main basis for competition among manufacturers in the current market, thus squeezing profits.

"Value figures are slowing down more steadily than volume," Mr. Edmond said, reflecting a need to lower prices to encourage demand.

The 10-year loan, which pays interest of half a point over the London interbank rate, now goes into general syndication.

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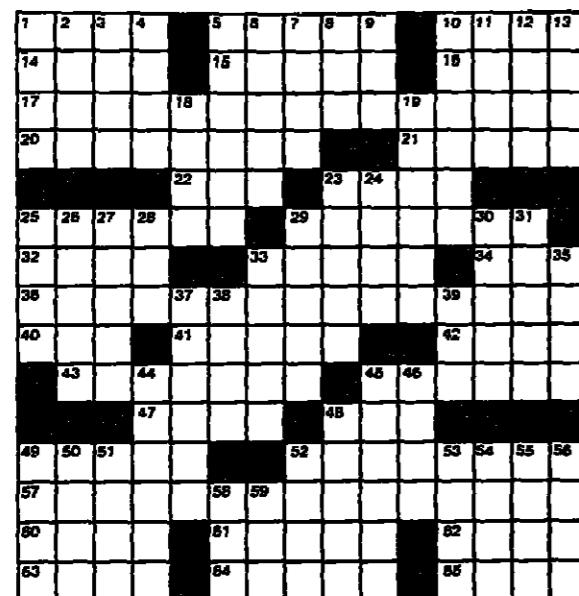
## Thursday's AMEX Closing Prices

Tables include the nationwide prices up to the closing on Wall Street.

Closes										Closes										Closes										Closes											
High					High					High					High					High					High					High					High						
12 Month	High	Low	Stock	Div.	Yld.	P/E	12 Month	High	Low	Stock	Div.	Yld.	P/E	12 Month	High	Low	Stock	Div.	Yld.	P/E	12 Month	High	Low	Stock	Div.	Yld.	P/E	12 Month	High	Low	Stock	Div.	Yld.	P/E	12 Month	High	Low	Stock	Div.	Yld.	P/E
10%	5	4.49	4.35	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
14%	7	4.85	4.75	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
20%	10	5.15	5.05	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
25%	12	5.35	5.25	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
30%	15	5.55	5.45	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
35%	18	5.75	5.65	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
40%	20	5.95	5.85	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
45%	22	6.15	6.05	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
50%	25	6.35	6.25	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
55%	28	6.55	6.45	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
60%	30	6.75	6.65	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
65%	32	6.95	6.85	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
70%	34	7.15	7.05	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
75%	36	7.35	7.25	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
80%	38	7.55	7.45	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
85%	40	7.75	7.65	1.00	1.00	10.00	17%	5.96	5.85	4.45	4.3	4.3	10.00	12%	5.50	5.45	5.35	5.35	5.35	5.35	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85	14%	5.00	4.95	4.90	4.85	4.85	4.85
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## CROSSWORD



**ACROSS**  
 1 Design on a document  
 5 Canadian peninsula  
 10 Buyers' purchase  
 14 Farm unit  
 15 New York city  
 16 Discharge  
 17 Respiratory work, with "the"  
 20 Necessitated  
 21 Compare  
 22 German article  
 23 Cartoonist  
 25 Stoic  
 29 Used a wedge  
 32 Milt, mutant  
 33 Relinquish  
 34 "Caro,"  
 1954 song  
 36 Verdi work, with "The"  
 40 Alfonso's queen  
 41 Water buffalo  
 42 Progress  
 43 He takes panes with his work  
 45 White's Charlotte, e.g.  
 47 Booted feline  
 48 Belgian resort  
 49 Author of "The Overcoat"

**DOWN**  
 1 Ump's call  
 2 A social sci.  
 3 In — (caught by routine)  
 4 — the Hyena, of comics  
 5 Boston's Mike Maff, e.g.  
 6 Far from familiar  
 7 Dispatch  
 8 Dads  
 9 Em followers  
 10 Objective art  
 11 Frenzied  
 12 Use a stopwatch  
 13 An Anna to whom Goldwyn brought mamma  
 14 Shan, Asian range  
 15 Sweethearts  
 52 Time saver  
 57 Bach work  
 60 Little — of fiction  
 61 Old Chinese weight  
 62 Lecherous look  
 63 Modern Christianity  
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 65 For fear that  
 50 Residents  
 51 Suffix  
 52 Caticatrix  
 53 Archer  
 54 William  
 55 Salt Lake City team  
 56 Civil wrong  
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## WEATHER

HIGH	LOW	C	F	HIGH	LOW	C	F	
ALGARVE 27 81	18 64	Cloudy	LOS ANGELES 25 75	18 54	Fair	24 75	18 54	Fair
ALGIERS 30 84	18 64	Fair	MADRID 25 75	22 55	Cloudy	25 75	22 55	Cloudy
AMSTERDAM 15 95	6 45	Cloudy	MANILA 25 75	22 55	Cloudy	25 75	22 55	Cloudy
AMERICA 22 72	25 55	Cloudy	NEW YORK CITY 25 75	22 55	Cloudy	25 75	22 55	Cloudy
ATHENS 18 42	18 44	Cloudy	MIAMI 25 75	22 55	Cloudy	25 75	22 55	Cloudy
AUCKLAND 18 42	9 45	Fair	MILAN 25 75	17 52	Fair	25 75	17 52	Fair
BANGKOK 33 91	25 75	Fair	MONTREAL 19 45	17 52	Fair	19 45	17 52	Fair
BEIRUT 1 1	25 75	Fair	MOSCOW 19 45	16 45	Fair	19 45	16 45	Fair
BELGRADE 25 79	14 52	Fair	MURKIN 19 45	14 52	Fair	19 45	14 52	Fair
BERLIN 19 45	11 52	Cloudy	NAMIBIA 25 75	22 55	Cloudy	25 75	22 55	Cloudy
BOSTON 13 55	7 45	Fair	MASSAU 25 75	22 55	Cloudy	25 75	22 55	Cloudy
BRUSSELS 17 63	9 45	Cloudy	NEW DELHI 25 75	22 55	Fair	25 75	22 55	Fair
BUCHAREST 22 72	14 52	Cloudy	NEW YORK 21 70	22 55	Fair	21 70	22 55	Fair
BUDAPEST 20 65	16 45	Fair	NICARAGUA 25 75	22 55	Fair	25 75	22 55	Fair
BUENOS AIRES 18 64	8 45	Fair	OSLO 15 55	9 34	Fair	15 55	9 34	Fair
CAIRO 32 95	16 45	Fair	PARIS 17 63	16 45	Fair	17 63	16 45	Fair
CAPE TOWN 20 65	12 54	Fair	PEKING 16 61	9 34	Overcast	16 61	9 34	Overcast
CALIFORNIA 25 75	16 45	Fair	PRAGUE 16 61	9 34	Fair	16 61	9 34	Fair
CHICAGO 21 70	8 45	Fair	REYKJAVIK 8 45	4 25	Fair	8 45	4 25	Fair
COPENHAGEN 16 45	6 45	Cloudy	SAO PAULO 25 75	22 55	Fair	25 75	22 55	Fair
COSTA DEL SOL 32 95	22 72	Fair	SAN JOSÉ 25 75	22 55	Fair	25 75	22 55	Fair
DAMASCUS 30 84	15 52	Cloudy	SAN PAUL 25 75	22 55	Fair	25 75	22 55	Fair
DUBLIN 15 55	10 45	Overcast	SANTIAGO 25 75	22 55	Fair	25 75	22 55	Fair
EDINBURGH 14 57	9 45	Cloudy	SEUL 25 75	22 55	Fair	25 75	22 55	Fair
FLORENCE 18 45	14 52	Overcast	SHANGHAI 25 75	22 55	Fair	25 75	22 55	Fair
FRANKFURT 16 61	7 45	Overcast	STOCKHOLM 17 63	16 45	Fair	17 63	16 45	Fair
GENEVA 20 65	10 45	Cloudy	SYDNEY 25 75	22 55	Fair	25 75	22 55	Fair
HANNOVER 20 65	10 45	Cloudy	TAIPEI 25 75	22 55	Fair	25 75	22 55	Fair
HELSINKI 17 63	9 45	Fair	TEL AVIV 25 75	22 55	Fair	25 75	22 55	Fair
HONG KONG 30 84	24 75	Overcast	TUNIS 25 75	22 55	Fair	25 75	22 55	Fair
HOUSTON 29 85	10 45	Cloudy	ROME 25 75	22 55	Fair	25 75	22 55	Fair
ISRAEL 27 81	11 52	Cloudy	SAO PAULO 25 75	22 55	Fair	25 75	22 55	Fair
JERUSALEM 27 81	11 52	Cloudy	SEUL 25 75	22 55	Fair	25 75	22 55	Fair
LAS PALMAS 29 85	10 45	Cloudy	SINGAPORE 25 75	22 55	Fair	25 75	22 55	Fair
LIMA 29 85	13 55	Overcast	STOCKHOLM 17 63	16 45	Fair	17 63	16 45	Fair
LISBON 24 75	12 55	Cloudy	SYDNEY 25 75	22 55	Fair	25 75	22 55	Fair
LONDON 16 61	9 45	Rain	ZURICH 16 61	12 34	Overcast	16 61	12 34	Overcast

ADVERTISEMENT  
INTERNATIONAL FUNDS

SEPTEMBER 23, 1982

The net asset value quotations shown below are supplied by the Funds Board with the exception of some foreign funds which are supplied by their service. The following mercantile symbols indicate frequency of quotations supplied for the 1982-83 financial year.

BANK JULIUS BAER & CO LTD: SF 229.87<sup>1/2</sup> (1)  
 —(d) Bearish  
 —(s) Bullish  
 —(c) Consistent  
 —(i) Intermediate  
 —(g) Growth  
 —(r) Income Fund  
 —(p) Portfolio Fund  
 —(f) Fund  
 —(m) Money Market Fund  
 —(n) Short-Term Fund  
 —(l) Long-Term Fund  
 —(t) Technology Fund

CAPITAL INTERNATIONAL: SF 24.05<sup>1/2</sup> (1)  
 —(c) Consistent  
 —(s) Stable  
 —(i) Intermediate  
 —(g) Growth  
 —(r) Income Fund  
 —(p) Portfolio Fund  
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 —(t) Technology Fund

DIT INVESTMENT FPM: DM 17.85<sup>1/2</sup> (1)  
 —(c) Consistent  
 —(s) Stable  
 —(i) Intermediate  
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 —(p) Portfolio Fund  
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 —(l) Long-Term Fund  
 —(t) Technology Fund

FIDELITY PO Box 676, Hamilton, Bermuda: SF 26.00<sup>1/2</sup> (1)  
 —(c) Consistent  
 —(s) Stable  
 —(i) Intermediate  
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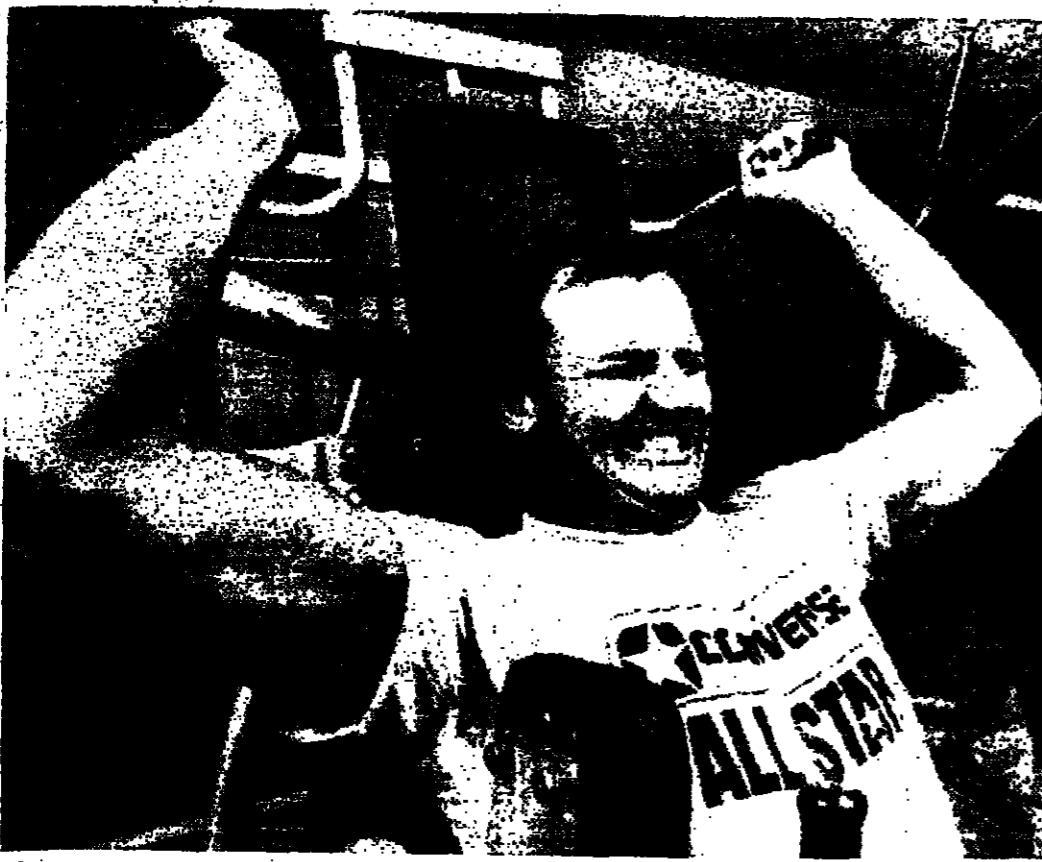
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## SPORTS

## DeCinces's Bat Leads Angels To 3-Game Sweep of Royals



Don Hasselbeck and other New England Patriots worked out at a health club in Dedham, Massachusetts, after team facilities were shut. Hasselbeck is the Patriots' player representative.

Compiled by Our Staff From Dispatches

ANAHEIM, California — Dong DeCinces hit two homers and drove in four runs Wednesday night as the California Angels completed a three-game sweep of the Kansas City Royals with an 8-5 victory. The Angels moved three games ahead of the Royals in the American League West.

The victory was California's fifth in a row, while Kansas City has lost seven straight. Both teams have 10 games remaining, includ-

ing three against each other in Kansas City next Monday, Tuesday and Wednesday.

"There's just an outside chance now" of catching up with California, said Dick Howser, the Royals' manager. "We've got to count on winning every ball game." That's never easy to do. I don't think the last of the last 10 will be enough."

But DeCinces wasn't taking the Royals lightly. "By no means do we consider them out of it," he said. "I'm thinking of winning each time we go out there. This was a big game, but so are the 10 we have left. Hopefully, now that we have the lead, we'll just take off."

After Rod Carew walked in the first inning, DeCinces homered to erase a 1-0 Kansas City lead. The Angels chased Vida Blue (13-11) with three runs in the second.

After the Royals scored twice in the sixth to cut the Angels' lead to 5-4, Dave Goltz relieved Tommy John (13-12) and retired all 11 Kansas City batters he faced. He got some breathing room on

eight-inning home runs by Brian Downing and DeCinces, the 28th for each.

The crowd of 51,273 brought the Angels' home attendance for the year to 2,672,377, an American League record, with three dates left. The old record of 2,672,417 was set in 1980 by the New York Yankees.

Brewers 3, Red Sox 1

At Milwaukee, Ben Oglivie drove in two runs and Mike Caldwell scored his seventh straight victory as the Brewers defeated Boston, 3-1. The Brewers increased their lead in the AL East to 2½ games over the Baltimore Orioles, whose game with Detroit was rained out. Oglivie gave the Brewers a 1-0 lead in the first inning with his 32nd homer and doubled in the eighth to drive in an insurance run.

Indians 5, Yankees 0

At New York, Rick Sutcliffe and Ed Glynn combined on a two-hitter and Mike Hargrove had three hits and scored three runs to lead Cleveland to a 5-0 victory over the Yankees. The game was shortened to seven innings by rain.

Blue Jays 2, Twins 2

At Minneapolis, Ron Davis walked Damaso Garcia with the bases loaded and two out in the 10th inning to force home the tie-breaking run as Toronto beat the Twins, 3-2. Jim Clancy (14-14) the winner, allowed five hits in his ninth complete game.

A's 5, Rangers 3

At Oakland, California, Dave Lopes, Wayne Gross and Mike Davis collected two hits each and

drove in four runs among them, leading the A's to a 5-3 victory over Texas.

Mariners 3, White Sox 4

At Seattle, Richie Zisk and Todd Cruz each hit a two-run homer as the Mariners beat Chicago, 3-4, for their sixth victory in seven games. Manny Castillo and Bruce Bochte also homered for Seattle.

Cardinals 2, Pirates 1

In the National League, at St. Louis, Steve Brumm, a pinch hitter, doubled to start an eighth-inning rally that led the Cardinals to a 2-1 victory over Pittsburgh. The victory was the Cardinals' ninth in 10 games and increased their Eastern Division lead over Philadelphia to 5½ games with 10 to play. After Brumm doubled off Rick Rhoden (11-13) and Tito Landrum was sent in to run for him, Tom Herr hit a run-scoring single to left.

Expos 11, Phillies 4

At Montreal, Chris Speier drove in a team-record eight runs to spark the Expos to an 11-4 victory over Philadelphia. Bill Gullickson (12-12) pitched his sixth complete game of the season for Montreal.

Padres 2, Dodgers 1

At San Diego, Alan Wiggins singled to score Joe Pettman from second base with one out in the 10th inning and give the Padres a 2-1 victory over Los Angeles. The Dodgers, however, retained a three-game lead in the NL West over the Atlanta Braves, who also

drove in four runs among them, leading the A's to a 5-3 victory over Texas.

Giants 2, Reds 0

At Cincinnati, Ron Martin, with relief help from Al Holland, shut out the Reds on two singles in pitching San Francisco to a 2-0 victory. Martin (7-8) walked four and struck out three before being relieved by Holland in the eighth.

Mets 5, Cubs 2

At Chicago, Scott Holman, a rookie pitcher, picked up his first major-league victory in New York's 5-2 victory over the Cubs. Holman held the Cubs to six hits in 7½ innings to help snap Chicago's six-game winning streak.

Blue Jays 3, Twins 2

At Houston, Craig Reynolds tripled and scored on Phil Garner's high-bouncing infield single in the eighth inning as the Astros beat Atlanta, 3-2.

Giants 2, Reds 0

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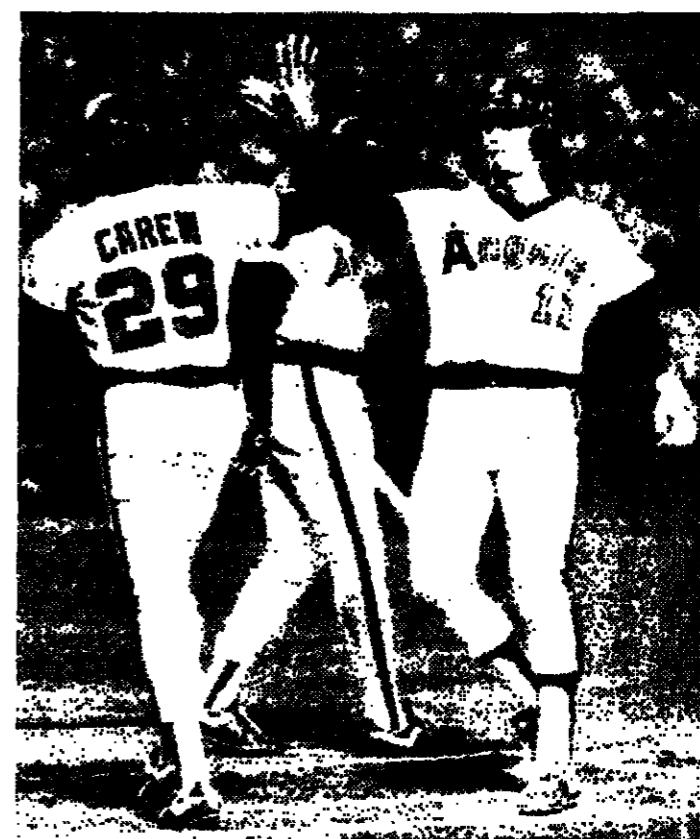
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Giants 2, Reds 0



California's Dong DeCinces was welcomed by Rod Carew after his first-inning homer put the Angels ahead of the Royals, 2-1.

## Mauch's Gold Elevator May End Up at the Top

By George Vecsey

New York Times Service

ANAHEIM, California — He has pushed all the buttons in his elevators for 22 seasons but the elevators never stopped at the top.

He has found cables and levers and switches that some managers never knew existed but the floors usually came out "4" or "5."

Once, he had the elevator button jammed in the "1" position with only a few days left in the season but the gears slipped in the last moments, leaving him a manager with a bitter legacy — 7½ games ahead with 14 days left, 10 consecutive losses, no pennant, Gene Mauch, Philadelphia Phillies, 1964.

This season the buttons are mostly made of gold, and Gene Mauch is pushing them perfectly. After sweeping a three-game series with Kansas City, his California Angels had won five in a row, and 10 of 13 to lead the division by three.

Mauch is one of the most cerebral and active managers ever to pace a dugout. He has never been afraid to put his hands into the works — even literally using his hands to swipe at Jerry Grote of the Mets for daring to lean over the Phillips' dugout to attempt to catch a foul pop-up. He was never afraid to curse and swear at a rival pitcher, and once he even tossed a spore rib when the Phillips slipped their post-game feast too giddily after a loss.

He gave the impression of being a manager who would do anything to win a pennant, but he has never won one. He has managed 22 seasons in the major leagues without a championship, an accomplishment which breaks the record of Jimmy Dykes. He is ninth among all managers in number of seasons, games and victories.

Except for the silver below the Angels' cap, Mauch at 56 seems as handsome and as vibrant as when he was a child manager in the late 1950s. His conversation, as always, is pithy and quotable. He insists there is no ego involved in chasing a pennant: "We're here representing the front of the uniform, not the back," he has said, referring to the name of the team on the front of the uniform.

"I've played for Gene for five years," said Rod Carew, "and I know he isn't afraid to try things."

That is the heritage of the intense vibrant manager who sometimes plays 54 games of a day just to burn off the energy and to test his rampant perfectionism. He will try things.

Mauch's currents were all working Monday night. He knew the Royals were starting Larry Gura, the left-handed pitcher, and he reasoned: "Whatever has been done against Gura in the past must not have worked because he was 11-3 against us." Mauch decided to do something. He benched Rodney Cline Carew, he of the sweet left-handed stroke and the .332 career average and the .311 average for three.

"I liked the way Daryl Sconiers battled against Dale Murray in Toronto the other night," Mauch said after it was over. "Murray is not exactly like Quisenberry, but somewhat the same. Daryl was very confident against Murray, and I made up my mind before the game tonight that if we ever got to a pinch-hitting situation against Quisenberry it would be Daryl Sconiers."

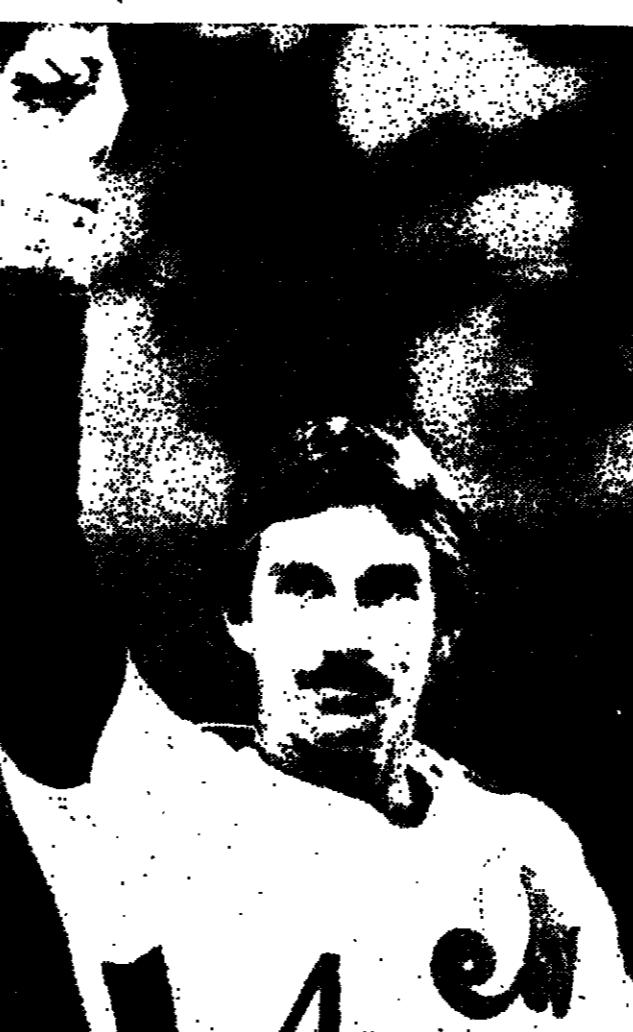
Rod Carew, standing in the on-deck circle, could not have done better than Sconiers did. The rookie slumped a ground ball up the middle as if it were controlled electronically by the manager, gliding into center field for the game-winning single.

"That was fun," said Carew.

"That's what you need in a pennant race — 25 guys. It doesn't matter whether it's the 25 who started the season or guys who were added in September. There's not one guy leading the team, it's 25 or more."

Gene Mauch always loved having 25 or more buttons to push. And right now he is pushing the buttons — and his eye sees the pennant that he has never achieved.

At the Gym, He Waits for Cooney



Chris Speier of Montreal waved to fans after driving in eight runs to set a club record. He had three hits, including a homer.

## Major League Standings

NATIONAL LEAGUE

Eastern Division

W L Pct.

St. Louis 52 44 .557

Philadelphia 52 49 .535

Montreal 52 50 .533

Pittsburgh 52 52 .500

Chicago 52 54 .490

New York 52 55 .481

Western Division

Los Angeles 57 45 .559

Atlanta 57 47 .552

San Francisco 57 51 .545

Houston 57 55 .526

Chicago 57 56 .520

Montreal 57 56 .520

AMERICAN LEAGUE

Eastern Division

W L Pct.

Milwaukee 51 41 .562

Baltimore 51 43 .556

Boston 51 49 .540

Detroit 51 54 .524

New York 51 55 .520

Toronto 51 51 .500

Western Division

California 57 45 .559

Kansas City 57 48 .552

Chicago 57 52 .520

Seattle 57 55 .516

Oakland 57 55 .516

Toronto 57 55 .516

Montreal 57 55 .516

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